National Library
of Canada

Bibliothèque nationale
du Canada

Canadian Theses Service

Service des thèses canadiennes

Ottawa, Canada
K1A 0N4

NOTICE

The quality of this microform is heavily dependent upon the quality of the original thesis submitted for microfilming. Every effort has been made to ensure the highest quality of reproduction possible.

If pages are missing, contact the university which granted the degree.

Some pages may have indistinct print especially if the original pages were typed with a poor typewriter ribbon or if the university sent us an inferior photocopy.

Reproduction in full or in part of this microform is governed by the Canadian Copyright Act, R.S.C. 1970, c. C-30, and subsequent amendments.

AVIS

La qualité de cette microforme dépend grandement de la qualité de la thèse soumise au microfilmage. Nous avons tout fait pour assurer une qualité supérieure de reproduction.

S'il manque des pages, veuillez communiquer avec l'université qui a conféré le grade.

La qualité d'impression de certaines pages peut laisser à désirer, surtout si les pages originales ont été dactylographiées à l'aide d'un ruban usé ou si l'université nous a fait parvenir une photocopie de qualité inférieure.

La reproduction, même partielle, de cette microforme est soumise à la Loi canadienne sur le droit d'auteur, SRC 1970, c. C-30, et ses amendements subséquents.

NL-339 (r. 88/04) c

Canada

National Library of Canada
Bibliothèque nationale du Canada

Canadian Theses Service
Service des thèses canadiennes

Ottawa, Canada
K1A 0N4

The author has granted an irrevocable non-exclusive licence allowing the National Library of Canada to reproduce, loan, distribute or sell copies of his/her thesis by any means and in any form or format, making this thesis available to interested persons.

The author retains ownership of the copyright in his/her thesis. Neither the thesis nor substantial extracts from it may be printed or otherwise reproduced without his/her permission.

L'auteur a accordé une licence irrévocable et non exclusive permettant à la Bibliothèque nationale du Canada de reproduire, prêter, distribuer ou vendre des copies de sa thèse de quelque manière et sous quelque forme que ce soit pour mettre des exemplaires de cette thèse à la disposition des personnes intéressées.

L'auteur conserve la propriété du droit d'auteur qui protège sa thèse. Ni la thèse ni des extraits substantiels de celle-ci ne doivent être imprimés ou autrement reproduits sans son autorisation.

ISBN 0-315-55555-6

Canada

THE UNIVERSITY OF ALBERTA

Alberta Recreation and Parks Privatization of Park Operation and Maintenance Services

by

Paul Edward Servos

A THESIS

SUBMITTED TO THE FACULTY OF GRADUATE STUDIES AND RESEARCH

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF

Master of Arts in Recreation

Department of Recreation and Leisure Studies

EDMONTON, ALBERTA

Fall, 1989

THE UNIVERSITY OF ALBERTA

RELEASE FORM

NAME OF AUTHOR: Paul Edward Servos

TITLE OF THESIS: Alberta Recreation and Parks
Privatization of Park Operation
Maintenance Services

DEGREE FOR WHICH THESIS WAS PRESENTED: Master of Arts in Recreation

YEAR THIS DEGREE GRANTED: Fall 1989

Permission is hereby granted to THE UNIVERSITY OF ALBERTA LIBRARY to reproduce single copies of this thesis and to lend or sell such copies for private, scholarly or scientific research purposes only.

The author reserves other publication rights, and neither the thesis nor extensive extracts from it may be printed or otherwise reproduced without the author's written permission.

(SIGNED) Paul E Servos

PERMANENT ADDRESS:

11122 - 83 AVENUE
EDMONTON, ALBERTA
T6G 0V1

DATED October 12 1989

THE UNIVERSITY OF ALBERTA

FACULTY OF GRADUATE STUDIES AND RESEARCH

The undersigned certify that they have read and recommend to the Faculty of Graduate Studies and Research, for acceptance, a thesis entitled "Alberta Recreation and Parks Privatization of Park Operation and Maintenance Services", submitted by Paul Edward Servos in partial fulfillment of the requirements for the degree of Master of Arts in Recreation.

Guy S. Swinnerton

Supervisor

Thomas L. Burton

T. S. Veeman

Date October 10, 1989

DEDICATION

To Kim who taught me that every moment
in life is an adventure, and only
you can envision what that adventure is to be.

ABSTRACT

This research was undertaken to inventory the 1987/88 privatization initiatives undertaken by Alberta Recreation and Parks for park operation and maintenance services and to identify changes from the 1983/84 delivery system. The research was also intended to examine the relationship between the theory of privatization presented by Savas (1987) and park operation and maintenance services privatized by Alberta Recreation and Parks. This case study used a one group pre-test post-test research design. Content analysis of contract agreements for the 1983/84 and 1987/88 fiscal years was undertaken. Selected managers were interviewed for the purpose of identifying initiatives not requiring contractual agreements. The privatization typology developed in this study, a modification of the framework presented by Savas (1985), was used to classify the data. The nature of the good or service privatized was assessed against the privatization arrangement utilized for each.

A weak relationship was found to exist between the nature of goods and the privatization initiative selected. It was also found that as the result of the privatization policy introduced by the Alberta Government there have not been significant gains towards reaching a higher order of service delivery; this was primarily the result of the introduction of a major grant program. However, there is evidence to suggest that significant initiatives have been undertaken toward higher order service delivery. Suggestions for continued privatization strategy development for Alberta Recreation

and Parks are provided, and support for these are identified within existing department policy.

The privatization typology presented was found to be an effective classification tool. The typology consists of two continua, service providers and service provision mechanisms. Thirteen service providers and thirty-three service provision mechanisms were identified. A hierarchy of privatization modes is presented as follows: market, divestiture, devolve, grant, contract and efficiency seeking. Each privatization mode represents a different combination of the key functions required to provide goods and services: production, planning, financing and regulating.

ACKNOWLEDGEMENTS

I would like to thank my supervisor, Dr. Guy Swinnerton, for his assistance during the course of this research. His patience and his belief in my ability to complete this thesis will never be forgotten. His unquestioned faith and subtle encouragement was my greatest motivator. Appreciation is also extended to the other members of my committee, Dr. Tim Burton and Dr. Terry Veeman, for their valuable assistance. I would also like to acknowledge the comradeship and support of the graduate students and staff of the Department of Recreation and Leisure Studies.

This research would not have been possible without the support of the Alberta Department of Recreation and Parks. A special thank you to Mr. Bob McGee and his staff for making the contract records available and for the hours we spent together reviewing and discussing these files. Also, a thank-you is extended to Mr. Bruce Duffin and Mr. Dan Chambers and their helpful staff who took the time to answer my persistent questioning. I would also like to gratefully acknowledge the financial contribution of the Recreation, Parks and Wildlife Foundation. I thank my employer who gave me the flexibility to complete this thesis, thank-you Noni Heini, Steve Pritchard, Angela Moss, and Doug Balsden.

Finally, I would like to express my heartfelt gratitude to my wife Kim for her unfailing assistance and constant encouragement. We have both learned a great deal about love over the period of time it took to complete this thesis. It is to her that this thesis is dedicated.

TABLE OF CONTENTS

Chapter Page

I STATEMENT OF THE PROBLEM 1

- A. Introduction 1
- B. The Problem, and Research Questions 2
  - i. The Problem 2
  - ii. The Research Questions 2
- C. The Methodology 3
- D. The Delimitations 3
- E. The Limitations 4
- F. The Assumptions 4
- G. The Definition of Terms 5
- H. Abbreviations 7
- I. Importance of the Study 7

II REVIEW OF THE RELATED LITERATURE 10

PART I

- A. Privatization Defined 10
- B. Historical Development of Public Enterprise 13
- C. Forces For Privatization 15
- D. The Theory of Privatization 22

PART II

- A. Experience of National Jurisdictions 29
  - i. The United States 29
  - ii. Great Britain 30
  - iii. Canada 30
- B. Experience of Provincial Jurisdictions 32
  - i. Ontario 32
  - ii. British Columbia 34
- C. The Alberta Experience 35
  - i. The Development of Policy 35
  - ii. Alberta Department of Recreation and Parks .. 38
  - iii. The Alberta Park System 41
    - a) History 41
    - b) Structure 46

PART III

- A. The Privatization Typology 51
  - i. Service Providers 51
  - ii. Service Provision Mechanisms 56
  - iii. The Privatization Typology 60

III METHODOLOGY AND TREATMENT OF THE DATA 69

A. Treatment of Data 69
   i. Primary Data Sources 69
   ii. Secondary Data Sources 70
   iii. Criteria for Admissibility of Data 71
B. Research Methodology 71
   i. Research Question One 71
   ii. Research Question Two 72
   iii. Research Question Three 73
C. Validity and Reliability 75

IV RESULTS AND DISCUSSION 78

A. Research Question One 78
   i. Efficiency Seeking 84
   ii. Contract 86
   iii. Grant/Incentive 90
   iv. Devolve 93
   v. Divestiture 95
   vi. Market 95
B. Research Question Two 96
C. Research Question Three 100

V SUMMARY, IMPLICATIONS AND RECOMMENDATIONS 113

A. Summary 113
B. Theoretical Implications and Recommendations 119
C. Implications and Recommendations for ARP 122

VI BIBLIOGRAPHY 128

Appendix A Park Manager Questionnaire Survey 139

Appendix B Permission to Access Data Sources 142

Appendix C The Study Data 145

Appendix D Alberta Recreation and Parks, Description of Functional Units 152

Appendix E Interpretation of a Cross Tabulation Table - Example 155

LIST OF TABLES

Table	Description	Page
1.	Comparison of Political Ideologies	19
2.	Summary of Literature Used in the Development of the Privatization Typology	53
3.	Institutional Arrangements for Providing Public Service .	59
4.	Service Provision Mechanisms	63
5.	Function of Government for Each Privatization Mode	67
6.	Hierarchical Order of Privatization Modes	68
7.	Service Provider by Mechanism 1987/88	79
8.	Service Provider by Mechanism Summary 1987/88	81
9.	Service Provider Type by Privatization Mode 1987/88	82
10.	Department Service Provider by Privatization Mode 1987/88	83
11.	Efficiency Seeking Mode Arrangements 1987/88	85
12.	Contract Mode Arrangements 1987/88	88
13.	Grant/Incentive Mode Arrangements 1987/88	91
14.	Devolving Mode Arrangements 1987/88	97
15.	Regulated Mode Arrangements 1987/88	97
16.	Services Not Offered 1987/88	97
17.	Comparison of Service Providers 1983/84 and 1987/88	101
18.	Comparison of Service Provision Mechanisms 1983/84 and 1987/88	102
19.	Comparison of Privatization Mode 1983/84 and 1987/88	104
20.	Service Provider by Mechanism 1983/84	105
21.	Service Provider by Mechanism Summary 1983/84	106
22.	Service Provider Type by Privatization Mode 1983/84	107

23. Department Service Provider by Privatization Mode 1983/84 . 108
24. Nature of Good Privatized 1987/88 109
25. Nature of Good by Privatization Mode 1987/88 110
26. Nature of Good by Privatization Mode 1983/84 111

LIST OF FIGURES

Figure Page

1. Public Goods Typology 23
2. Theory of Privatization: Classification of Goods 26
3. Types of Goods and Institutinoal Arrangements that can be used for their Delivery 28
4. Alberta Provincial Parks 47
5. Alberta Provincial Recreation Areas 48
6. Municipal Recreation Areas 49
7. Municipal Recreation/Tourism Areas 50
8. Ministry of Alberta Recreation and Parks 52
9. Privatization Typology 61

I STATEMENT OF THE PROBLEM

A. Introduction

The principal purpose of this research was to identify and compare the privatization initiatives undertaken by Alberta Recreation and Parks for park operation and maintenance services between 1983/84 and 1987/88. This has been done in the context of a modified version of Savas' (1985) institutional arrangements for providing public services model. The modified model, titled the privatization typology, provided a framework to inventory privatization initiatives. Another purpose of this study was to examine the relationship between the theory of public goods, referred to by Savas (1987) as the theory of privatization, and the goods and services privatized by Alberta Recreation and Parks.

Privatization has been widely defined in the literature and media. This thesis defines privatization and gives reasons for the current interest in it. As well, a historical and policy development overview has been presented. The privatization typology was developed and introduced as a privatization initiative inventory tool.

Privatization was formally announced as an Alberta Government policy in the March 15, 1984 Throne Speech. The 1986 Alberta Department of Recreation and Parks Draft Policy Statement reflects many of the initiatives pursued for the delivery of operation and maintenance services; these have been identified and discussed. The inventory and comparison of privatization arrangements showed the nature of the initiatives used to implement the policy documents. The secondary objective of this research was to provide practical information for use by Alberta Recreation and Parks. The aim was first to generate results that would provide Department management with a greater understanding of the alternative privatization arrangements available, and secondly to identify those privatization arrangements already utilized by the Department.

B. The Problem, and Research Questions

i. The Problem

This research was undertaken to inventory the 1987/88 privatization initiatives undertaken by Alberta Recreation and Parks for park operation and maintenance services and to identify changes from the 1983/84 delivery system. The research was also intended to examine the relationship between the theory of privatization presented by Savas (1987) and park operation and maintenance services privatized by Alberta Recreation and Parks.

ii. The Research Questions

Research Question One. What privatization arrangements were utilized by Alberta Recreation and Parks for the operation and maintenance of parks in the 1987/88 fiscal year?

Research Question Two. As the result of the Alberta Government's privatization policy, has Alberta Recreation and Parks evolved to a higher order of park program operation and maintenance service delivery? The proposition tested was as follows:

> .There has been no significant difference in the delivery mode utilized for park operation and maintenance services delivered by Alberta Recreation and Parks between 1983/84 and 1987/88.

Research Question Three. Does a relationship exist between the nature of the good or service privatized and the privatization mode utilized? The proposition tested was as follows:

> There is no significant relationship between the nature of the good or service privatized by Alberta Recreation and Parks and the privatization mode utilized.

C. Methodology

A one-group, pre-test post-test research design was utilized in this study. Content analysis of contract agreements was conducted for the 1983/84 and 1987/88 fiscal years. Selected Alberta Recreation and Parks managers were interviewed for the purpose of identifying initiatives not requiring contractual agreements.

This research can be considered a case study because it sought to describe the privatization initiatives of a distinct population. Specifically, this population consisted of the operation and maintenance functions of the Alberta Department of Recreation and Parks.

The data was subjected primarily to descriptive analysis. In addition, the sign test, correlation analysis and cross tabulation tables were applied to the data. The SPSSx program was used for the statistical analysis.

D. The Delimitations

The following delimitations were applied in this study:

1) Only park programs of the Alberta Department of Recreation and Parks in the 1983/84 and 1987/88 fiscal years were included in the study.

2) Only privatization agreements for operation and maintenance functions were examined.

3) Park facilities within the Kananaskis District were not included because of the unique management approach utilized within that jurisdiction.

E. The Limitations

The following limitations were identified:

1) Each privatization agreement is unique with a diversity of factors which influence the cost and structure of the agreement.

2) The agreements are administered by several Department Divisions which have different administrative structures and objectives--this may influence the consistency between agreements.

3) The privatization typology utilized for classification of agreements is an untested tool developed for the purpose of this research. This typology is an expanded version of the model presented by Savas (1985).

F. The Assumptions

1) There is no difference between the level of service expected from privatized and public sector service delivery mechanisms.

2) The privatization typology represents a continuum of service provider and service provision mechanisms that represent an ordinal level of measurement.

3) The researcher has accurately classified the nature of each good/service inventoried.

G. The Definition of Terms

1) Privatization

Privatization is the delegation of those functions (production, finance, planning, and regulation) traditionally considered to be the responsibility of government to the non-government sectors through a wide range of alternative arrangements. This definition was derived from L. Hurl (1984); K. Spencer (1983); Stoez (1981); H. Coombs (1983); M. Beesley and S. Little Child (1983); E. S. Savas (1987); S. Sonenblum (1974).

2) Operations and Maintenance Functions

Operations and maintenance functions are task categories which are required to operate and maintain a park. Fifteen functions were identified within the 1984 Alberta Park Cost Study, these are:

- lawn maintenance
- garbage collection
- firewood distribution
- building janitorial
- ground services
- water and sewage services
- roads and parking
- park patrol
- equipment repair
- other utilities
- resource management
- administration
- visitor registration
- visitor services

3) Park Service Types

Park services can be categorized into six major groups. The categories currently utilized by the Alberta Department of Recreation and Parks are:

- resource management
- maintenance
- operation and maintenance

- visitor services
- security
- capital development

4) Parks

Sharpe, Odegard, and Sharpe (1983:4) have defined parks as tracts of tax-supported land and water, established primarily for the benefit and enjoyment of people and maintained essentially for outdoor recreation activities. Parks, as envisaged by Frederick Law Olmsted, are "naturalized passive retreats", and recreation areas are "active sports-oriented facilities" such as playgrounds, land surface court areas and team sports fields (Rutledge 1971:5). For the purpose of this study, a park is defined as lands and water identified primarily for the benefit and enjoyment of people for primarily outdoor recreation activities, and lands and waters identified for natural preservation purposes.

5) Park Program

A park program is the planning, financing, regulating or production of services for the satisfaction of the park's mandate. This may include such functions as operation, maintenance, and visitor services.

6) Higher Order Service Delivery

Higher order service delivery is the provision of goods and services via institutional arrangements requiring decreased levels of public agency involvement in production, financing, planning, or regulating of services.

H. Abbreviations

1) ARP is the abbreviation for Alberta Department of Recreation and Parks.
2) RPW is the abbreviation for Recreation, Parks and Wildlife Foundation.
3) MRTA is the abbreviation for Municipal Recreation Area or Municipal Recreation/Tourism Area.
4) Mechanism is the abbreviation for service provision mechanism.
5) Good is the abbreviation for good and service.

I. Importance of the Study

Governments since the end of the Second World War have experienced growth. Governments perform two important roles: they serve as mechanisms for reaching decisions about community and societal concerns, and they provide goods and services (Savas 1977:2). It is the latter which is under scrutiny by privatization as the reaction to government's growth. Much of the growth of government has resulted from the societal decision that certain private and toll goods are so worthy that their production is a public responsibility. In effect, the good is being treated as a common-pool or collective good. Privatization has come to symbolize a new way of looking at the needs of society and a rethinking of the role of government in fulfilling them (Savas 1987:3). It means relying more on society's private institutions and less on government to satisfy the needs of people.

The theory of privatization (Savas 1987) has been tested within this thesis. The strength of the relationship between the nature of the good and the privatization initiative undertaken has been explored. A weak relationship was found to exist, as well as several patterns. These findings lend support to the theory of privatization.

Privatization is being embraced throughout western countries such as Great Britain, the United States, and Canada. The experiences of these jurisdictions have been briefly reviewed in this study. As well, the forces for privatization: pragmatic, ideological, commercial, and populist, were explored. In the Province of Alberta privatization was first embraced as a result of the March 15, 1984 Throne Speech. This study has outlined the growth and support for privatization by the Alberta Government and the operationalization of this policy by the ARP.

The privatization initiatives undertaken by ARP for park operation and maintenance services between 1983/84 and 1987/88 have been identified in this study. This has been accomplished in the context of the privatization typology. It has been said that "moving towards further privatization requires an understanding of what service alternatives conceptually exist and how and why particular arrangements such as government delivery have come to be preferred" (ARP March 1986:32). This study satisfied this need through the presentation of the privatization typology which describes the alternative privatization arrangements available. The arrangements utilized by ARP have been inventoried and discussed within the context of this typology.

The information will also be of practical interest to ARP. The privatization initiatives have been profiled, and the range of service alternatives have been presented. The data has provided a base from which to develop an ongoing privatization strategy, based upon a model supported by research. Recommendations for inclusion into such a strategy have been presented, and each has been linked to supporting references in the 1986 ARP Draft Policy Statement.

II REVIEW OF THE RELATED LITERATURE

The purpose of this chapter is to provide a theoretical and historical overview related to the problem identified in Chapter I. This chapter is composed of three parts. Part I reviews the broad definitions of privatization; the historical development of public enterprise and the growth of the welfare state; the forces for privatization; and the theory of privatization. In Part II, the privatization experience of other jurisdictions - other western states, the Canadian federal government, and other provinces, are reviewed. The development of privatization policy in Alberta and its operationalization by ARP is reviewed. In Part III, the privatization typology is introduced.

PART I

A. Privatization Defined

The definitions of privatization used by various disciplines, political jurisdictions and ideological groups are inconsistent. Most often, privatization is associated with the selling of Crown Corporations or the contracting-out of service delivery. However, Doern and Atherton (1987) point out that there is support for a broader definition, one which sees privatization as being synonymous with any action by the state that reduces the role of government and expands that of the private markets. In the broadest sense, therefore, privatization encompasses all government expenditures to the private and not-for-profit sectors.

The Canadian Office of Privatization and Regulatory Affairs (1987) defines privatization as the transfer of responsibility from the public to the private sector through the transfer of responsibility for the delivery of government services to the private sector. Its strategy has been to sell Crown Corporations in part or in whole. This reflects the denationalization definition of privatization as identified by Beesley and Littlechild (1983:1):

> Privatization is generally used to mean the formation of a Companies Act company and the subsequent sale of at least fifty percent of the shares to private shareholders. However, the underlying idea is to improve industry performance by increasing the role of market forces.

The most confusing term used to define privatization is contracting-out. Privatization and contracting-out are not the same, claims Spencer (1983:4), the difference being that contracting-out retains some degree of control through the specification and tendering process, while privatization implies total public sector withdrawal from anything to do with providing a particular service. Contracting-out is but one mechanism to implement privatization.

Coombs (1983:2) also views privatization as having an economic motivation when he states that "privatization is solely a means of improving service efficiency and not an end in an ideological sense, in itself." Other authors disagree and support the notion that privatization is an ideological response being implemented by conservative governments. Drucker, the pioneer of this viewpoint (Hurl 1984:395), viewed privatization as an implementation of an alternative role for the state. It was Drucker who in 1969 coined the term "re-privatization." He believed that by turning over responsibility for the provision of public services to the private sector the ills of big government could be remedied: there would be less waste, less bureaucracy, more responsiveness, and more opportunity for citizen participation. Once freed from the demands of doing, government would be able to focus its attention on its primary task, planning.

Sonenblum (1974) explored alternative mechanisms for providing municipal service in California. He identified three essential elements to providing a service. The three elements he identified as essential were production, financing, and planning. Burton and Kyllo (1974) attempted to identify the range and scale of federal and provincial involvement in the provision of leisure services in Alberta and Ontario. They identified eleven types of leisure service or mechanisms in which government could be involved in providing services. Their list included a regulation/licensing function. Four possible roles exist for government in providing an activity: planning, regulating, producing, and financing.

Savas (1985) examined the intent of privatization. He defined privatization as a wide range of alternatives to the direct provision of public service by government. He elaborated on this definition in his 1987 book, Privatization The Key To Better Government as follows: "Privatization is the act of reducing the role of government, or increasing the role of the private sector, in an activity or in the ownership of assets."

In the above discussion a wide range of privatization definitions have been identified; from these a definition has been developed for this study. Privatization is the delegation of any one of those functions (production, finance, planning, and regulation) traditionally considered to be the responsibility of government to the non-government sectors, through a wide range of alternative arrangements.

B. Historical Development of Public Enterprise

Public enterprise can be defined as "any undertakings which provide goods or services of general economic interest, the capital of which is wholly or separately administered by parts of government departments, where capital can be replaced by normal commercial activities or financing on the open markets" (Keyser 1978:2). Public sector involvement can be for ad-hoc or ideological reasons. Rees (1984:2) identifies the following four reasons for the existence of public enterprise:

1) to correct market failure
2) to alter the structure of pay offs in an economy
3) to facilitate centralized long-term economic planning
4) to change the nature of the economy from capitalist to socialist

Freedman (Henry 1984b:10) identifies the following three justifications for state activity:

1) to be a neutral umpire
2) to correct an imperfect market
3) to satisfy the need for paternalism.

Adopting an activity into the public sector will be the result of one, or a combination of the above reasons. Often "in times of depression and war, the state extends its control over the economy, but does not give it up at the end of the crisis", explains Udehn (1981:29). The objective of public enterprise is the efficient allocation of resources. "State ownership of industry is not and never has been socialism", claims Fagan (1960:11). To achieve socialism requires a commanding role of the state and the end of capitalism; this has never been the objective of state enterprise in the 'West'. "Political preferences aside, economists generally agree that government's direct participation in the economy is likely to reflect the inability or unwillingness of private interests to provide certain goods and services the community requires or desires" (Ginzberg, Hiestand, Reubens 1965:33). The government becomes involved with the provision of goods and services via direct state aid (financing), control of sectors of the economy (regulation and planning), and public enterprise (production).

Modern public enterprise expanded rapidly at the end of the 19th century in the form of state banks, post and telegraph offices. Early nationalizations occurred before the First World War. It was during the great depression in the 1930's that there was a significant increase in state involvement in enterprise. Financially troubled companies reached special agreements with the state and eventually many have come under state control. An intensive period of nationalization occurred after the Second World War and continued into the 1970's. During this same period, there was a rapid expansion of the welfare state - public provision of social services. In the 1970's, governments also took over markets where large scale failures occurred. Much of the growth of government has resulted from the societal decision that certain private and toll goods, are so wanting that their production is a public responsibility (Savas 1987:52). In effect, the good is being treated as a common-pool or collective good. There are two different conceptual ways to view this transformation. First, society acting through government has decided to provide certain private or toll goods completely or partially at collective expense. The second way to view the transformation is to consider that private and toll goods have migrated into collective goods.

The growth of nationalization and the welfare state slowed down considerably in the 1980's in favour of more flexible forms of public participation with the state. A shift in the dominant political ideology, growing public deficits, and an increased recognition of government as being poorly designed for the delivery of some services have reversed the trend to favour decreased public sector participation in the free-market. The current perspective (Judge, Smith, Taylorgo 1983:486) is that "the emphasis of the state as a primary provider of welfare ought to give way to the more important roles of planning, regulating, and where appropriate financing social welfare rather than producing it."

C. Forces For Privatization

Several forces are behind the privatization movement: pragmatic, commercial, populist, and ideological (Savas 1987).

The goal of the pragmatic force is better government. The reasoning is that prudent privatization leads to more cost-effective public services. Madsen (1985) described four tactics governments use to deal with escalating costs of public programs. The first tactic, efficiency drives, attempts to identify inefficiencies and implement change. Madsen claimed that this tactic does not work because private sector initiatives do not apply in government's non-competitive, non profit-making design. The second tactic is to eliminate waste. An outsider is usually asked to identify waste and abuse and to propose methods to eliminate it. The studies, claimed Madsen, usually focus on trivial things; merge departments, hiring freezes, and elimination of waste and duplication. The result is a larger department, higher salaries and cost due to increased responsibility, and an undermined administrative morale. The third tactic is to eliminate unnecessary programs in areas that are no longer required or satisfy their objective come under attack. Public support is often found to exist despite the programs usefulness. This thrusts the issue into the political arena. The final tactic is to establish cash limits. The most important programs are often not the largest and, therefore, do not corner the available cash. This tactic does not economize but cuts services, thus making the public sector more inefficient. Capital spending is usually the first area to be cut. Savas (1987) identified only two alternatives for public officials: reduce activities or increase productivity. Many efforts are undertaken to improve government performance, such as: centralizing, decentralizing, reorganizing, MBO (Management By Objectives) efficiency committees, operations research, and numerous other techniques. The effectiveness of these efforts and the tactics described have been modest. The "ratchet effect" sustains the public sector (Madsen 1985:3). New projects can be undertaken, but it is difficult to cut old programs.

Those who promote the commercial force desire more business. The reasoning is that government spending is a large part of the economy and that more of it can and should be directed toward private firms. State-owned enterprises and assets can be put to better use by the private sector. Many of the activities performed by government employees are routine and commercial in nature. Private businesses could perform these activities. Denationalization is encouraged because business sees excellent prospects for an industry in the private sector. Privatization recognizes the inherent weakness of the public supply of goods (Madsen 1985:24). The commercial force wants to take delivery of goods out of the political world into that of the economic world. Privatization in the commercial force is a move oriented to the demand side solution.

Those who support the populist force desire a better society. The reasoning is that people should have more choice in public services. They should be empowered to define and address common needs, and to establish a sense of community by relying more on family, neighborhood, church, and ethnic and voluntary associations and less on distant bureaucratic structures (Savas 1987:10). Society's institutions have come to be endangered by the expansion of government into the delivery of welfare services. The dominance of one provider limits the contribution of other community institutions and thereby limits choice. The populist pushes for privatization to enhance increased choice and to create a balance which takes away government's ability to dominate and impose solutions upon its citizens.

Supporters of the ideological force desire less government. The reasoning is that government is too big, too powerful, and too intrusive in people's lives, and therefore is a danger to democracy. Government's decisions are political, thus they are inherently less trustworthy than free-market decisions.

Differences in ideology and tradition determine perceptions of the role of the state in society. The role of government differs in different societies and changes over time. Barry (1987) explains how there has been a resurgence of thinking about politics, economics and society referred to variously as the 'New Right,' the radical right, neo-conservativism or libertarianism. Barry explains how the New Right represents a clear alternative to the prevailing social-democratic consensus. This consensus which evolved after the second world war is being challenged.

The three major ideologies and their implications for privatization are summarized in Table 1. The primary sources for the tables were: Henry (1984), Udehn (1981), Barry (1987), Christian (1978). It is important to note the difference between political ideology and political parties as the terminology used for parties is not always consistent with the ideology they actually pursue. The tables refer to ideology.

Barry (1987) discusses how consensus/interventionist thought has been challenged and classical liberalism has resurged. Keynesian philosophy - the tendency of the market to produce equilibrium - no longer dominates the formation of political thought. "The growing fecundity of classical liberalism and neo-conservativism has largely

Table 1

Comparison of Political Ideologies

CRITERIA	SOCIALISM	CLASSICAL LIBERALISM	CONSERVATISM
Core Values	- equality and collective responsibility	- freedom and individual responsibility	- authority, tradition and allegiance as the key to social stability
Assumptions	- there is plenty of everything to go around - no problem of choice	- there is a scarcity of goods	- there is a scarcity of goods
Freedom	- the cause of un-freedom is the institution of private property - must restrict property incomes	- state activity is the only threat to freedom in society - links market systems to individual freedom	- state activity is the only threat to freedom in society (very strong belief)
Equality	- equal possibility for everyone to satisfy his material needs - from each according to his abilities, to each according to his needs (Marx 1875) - provide opportunities for all to realize their freedom	- reject equality - limits individuality and freedom - institution of private property is the only natural order of things	- places greater emphasis upon economic freedom - social injustice and inequity will best be overcome by means of personal initiative and hard work

Table 1
(Continued)

Comparison of Political Ideologies

CRITERIA	SOCIALISM	CLASSICAL LIBERALISM	CONSERVATISM
Production Mechanism	- the concept of 'common' ownership doesn't have to mean state ownership but a mechanism for control of key enterprise and planning	- private property rights - doctrine of 'consumer sovernty' and 'cultural determinacy'	- private property rights - cultural determinacy
Political Mechanism	- contemporary - embrace the democratic ideals of the right - Marxist - the eventual abolition of political (as opposed to social-managerial institutions)	- democracy is the best safeguard of individual freedom	- elite management of the economy - Victorian values - democratic ideals
Security	- social security is a basic value - importance of full employment	- reject all that cannot be achieved on the free market - you must give up freedom for security	- disposition for the familiar institutional arrangements must be protected or allowed to change slowly
Democracy	- central planning to determine the production and distribution of goods - accept parliamentary means - see nationalizations as the best means of democratization	- if extended to economic matters it leads to the abolition of private values - fear the totalitarian state democracy must end where private property begins.	- social stability is the goal via laisser-faire market - democracy must end where private property rights begin - see privatization as a means of democratization because of more wide-spread ownership of shares

Table 1
(Continued)

Implications of Political Ideology for Privatization

	SOCIALISM	CLASSICAL LIBERALISM	CONSERVATISM
Role of the State	- increased role of the state	- minimum role for the state in the direct provision of services some justification for state participation	- minimum role of the state market mechanisms dominate - the state as enabler to bind the community together
Activities	- promotion of non-elitist activities - increased funding to disadvantaged groups to reduce inequities - support for mass appeal activities - increased role for community and popular art forms for its potential for developing a working class consciousness	- greater emphasis on maximizing financial not social returns - cultural determinacy - protection of freedom, individuality and property rights	- attempt to maintain the Status Quo - use sport, recreation and cultural activities to bind the community together - actively promote natural heritage and traditional sports
Mechanism	- democratization	- interest groups	- interest groups the state as an enabler
Role of Managers	- advocate and educator	- umpire	- umpire & enabler
Privatization Strategy	- a devolving approach of commercial activities	- devolve except where the market fails	- devolving approach - will maintain control of planning/enabler role

been generated by the crisis of inflation, high public spending and the slow growth that social democracies have experienced in the last ten years" (Barry 1987:20). Classical liberalism favours a market allocation of resources and income, the state being precluded from a redistributive role through taxation. Contemporary liberalism, on the other hand, envisions a greater role for the state, a redistributive role and intervention into the market is acceptable.

A continued movement in political ideology to classical liberalism will place increased emphasis on devolving public services. There will be increasing demand to maximize economic not social returns with protection of freedom, individuality, and property rights. The role of the state will be one of enabler and umpire, not producer. It is important to recognize that the institutional role and status of social welfare provision has been accepted. "The belief that welfare could be turned over to the market entirely has vanished. The attack on the idea of government-oriented social provision has, in practice, ceased" (O'Higgins 1984:242). Increasingly, it is being recognized that "it is possible to be in favour of privatization of commercial activities while opposing the privatization of the welfare state or vice-versa" (Brittan 1984:110). The supporters of the ideological force want to reduce the role of government and expand the role of the private sector.

D. The Theory of Privatization

The theory of privatization is the adoption of a classification system for goods according to two important concepts: exclusion and jointness of consumption. Both exclusion and jointness of consumption are characteristics that vary in degree rather than being all-or-none characteristics (Ostrom and Ostrom 1977:11). Exclusion and jointness of consumption are independent attributes. Both characteristics can be arranged in relation to one another. When arranged in a simple matrix, four types of goods are revealed. The reason for classifying goods in this manner is that "the nature of the good determines whether or not it will be produced at all, and the conditions needed to assure it will be supplied" (Savas 1985:33). The typology of goods, referred to by Savas (1987) as the theory of privatization, was introduced by Peston in 1972.

The typology of goods introduced by Peston (1972:13) was based on two axes: availability after consumption and the cost of exclusion. Consumption refers to the benefits remaining after the consumption by a previous user. Peston refers to this as non-rivalness, which does not impede the consumption of that same quantity by others; the opposite is referred to as rivalness. Exclusion refers to the difficulty, technologically or legally, of excluding citizens from receiving benefits. The typology in Figure 1 is a result of the combination of the two characteristics of goods.

Figure 1

Public Goods Typology

		Exclusion	
		Excludable	Non-Excludable
Consumption	Rival	A Private	B Common Pools
	Non-Rival	C Toll	D Public

Source: Adapted from Peston (1972:13).

A. Rival and Excludable Goods

These are often referred to as private goods. A private good is a consumptive good provided to the individual. The act of consumption means no one else can consume it. An apple which is consumed is an example of a private good.

B. Rival Non-Excludable Goods

A good where one person's consumption rules out others, but the provider is unable to decide who is to be the consumer. These are often referred to as common pools. An example often used is fish in a lake.

C. Non-Rival Excludable Goods

With these goods, it is possible to prevent individuals from enjoying the relevant benefits, but the fact that anyone is prevented does not actually allow anyone else to benefit. The example provided by Peston (1972) is a theatre performance where the demand is less than capacity even when admission is not charged. Another example provided is an uncongested bridge or road. These are referred to as toll goods.

D. Non-Rival and Non-Excludable Goods

These goods are referred to as public goods. If a good is provided for some, it is available to all, and it is impossible to prevent anyone from enjoying it. An example often used is national defence.

Savas (1987:39) introduced a similar typology as illustrated in Figure 2. Herfindal and Kneese (1974:50) comment that "discussion of the public goods concept has been confused by the introduction of a separate concept known as the lack of exclusion principle as though it were necessary of a good characterized by jointness in supply. They present two categories of goods: private consumption goods and collective consumption goods. These are differentiated by jointness of supply only. The public goods typologies introduced by Peston and Savas have been accepted by economic researchers for many years. As this research and the development of the privatization typology was inspired by Savas' works this study accepted the public goods typology introduced by Peston 1972 and Savas 1985.

The same good may fall into various categories, depending upon one's perception of the nature of that good. A park, for example, may be private (K.O.A. private camp), common pool (no fee day use facility), or toll (fee charging government provided park). The public perception of the nature of a good will determine the cell, or cells, in which it will fall, and ultimately the mechanisms for the provision of the good. In recreation services, particularly, (ARP Discussion Paper on Privatization 1986:32), what are conceptually private goods and toll goods have come to be treated by government as collective and common pool goods. The ARP Discussion Paper on Privatization 1986 suggests consideration should be given to reversing this by implementing fees, thus treating these goods as toll goods. Much of the growth of government has resulted from the societal decision that certain private and toll goods are so worthy that their

Figure 2

Theory of Privatization:

Classification of Goods

		Exclusion	
		Feasible	Unfeasible
Consumption	Individual	Private Goods	Common Pool Goods
	Joint	Toll Goods	Collective Goods

Source: Adapted from Savas (1987:39).

production is a public responsibility (Savas 1987:52). In effect, the good is being treated as a common pool or collective good. There are two different conceptual ways to view this transformation. First, society acting through government has decided to provide certain private or toll goods completely or partially at collective expense. The second viewpoint is to consider that private and toll goods have migrated into collective goods.

Privatization theory demonstrates that some goods do not lend themselves to being produced by private markets. Pure public goods are likely to be provided by the state--this protects citizens from the high cost of exclusion. Common pool goods also have a high cost of exclusion; these also may have appeal to be produced by the state or somehow controlled for its citizens to prevent over consumption. Toll and Pure Private goods have a lower cost of exclusion and are the easier to privatize because impact on the public is minimized. Savas (1985:37) supports this perception. Toll goods, which have come to be provided institutionally as collective goods, should be evaluated to see if they may again be delivered as toll goods--this will depend on, for example, profitability and the need for market regulation.

Savas (1987) suggests that the following mechanisms are most suitable for the delivery of goods:

good	mechanism
private goods	market
toll goods	franchise
common pool goods	contract
public/collective goods	voucher and grant

Savas (1987:94) provides a detailed table of the types of goods and institutional arrangements that can be used for their delivery; this is presented in Table 3.

PAGE 28 HAS BEEN REMOVED DUE TO COPYRIGHT RESTRICTION

Figure 3: Type of Goods and Institutional Arrangements That Can Be Used for Their Delivery

Source: Savas (1987:94)

PART II

A. Experiences of National Jurisdictions

To gain an understanding of privatization, it is helpful to review the experience of national governments, specifically, Great Britain, the United States, and Canada. The experiences of these jurisdictions have significantly impacted the Alberta privatization experience.

Electoral success of Ronald Reagan and Margaret Thatcher has provided popular support for the principle that government should withdraw from the marketplace. These leaders support a classical liberal ideology. Although the privatization policy outcome is similar, historical conditions within each country have influenced their respective privatization programs.

i. The United States

In the United States, the debate concerning the role of the state in the economy emerged in the days of George Washington; ideologies centering on Alexander Hamilton and Thomas Jefferson are relevant (ARP March 1986). Hamilton believed in a society stratified along the class society of Great Britain. He believed government should play an active role in the development of commerce in order to enhance economic development on an urban, commercial basis. Jefferson, in contrast, envisioned a minimal role for government in which the marketplace was left independent of government involvement. Jefferson promoted a vision of a democratic society of independent landowners. The labour unions of the 1920's added a third dimension to this issue in which they demanded the creation of a social safety net to protect society's disadvantaged, and to protect the working class. Roosevelt's "New Deal" of the Great Depression period, and the major projects, like the TVA, added momentum. Government development of the social safety net in the United States continued until recently when it was challenged by Conservative governments. The proximity of the United States and resulting media exposure and economic interaction has influenced the Canadian experience.

ii. Great Britain

In Great Britain, the destruction caused by World War II created a different situation than that experienced in the United States. Britain has had a long history, one which includes a Socialist party and very strong labour unions. With the damage of the war, the left-wing Labour Party came to power. Nationalizations were undertaken to rebuild the country. Government intervention was extensive and created a welfare state that cared for its citizens from "cradle to grave" (ARP March 1986). This continued until the election of a Conservative government in the 1970's. Political institutions and tradition in Canada have been influenced by those of Great Britain and have influenced the Canadian reaction to privatization.

iii. Canada

Geography and a small population created Canada's unique experience. From the early days of confederation, a need for partnership between government and commercial enterprise was recognized. A partnership to build canals, railways, and other essential infra-structures was needed to attract the necessary capital (ARP March 1986). Canada, like Britain, also had a socialist tradition. The Cooperative Commonwealth Federation (CCF) from its early days stood for the nationalization of selected industries. This was similar to the concurrent activities in the USA, "The New Deal", and the establishment of a social safety net in Britain. In Canada, social insurance programs and the establishment of Crown Corporations to satisfy policy functions progressed unchecked until the late 1970's.

The Federal Conservative party has spent years as the Official Opposition, criticizing Crown Corporations. Under the leadership of Prime Minister Joe Clark the privatization of Petro Canada became a major election issue in 1979. Once elected, Clark attempted to implement a policy of privatization. Several reasons, including the OPEC Oil crisis, a deeply divided caucus, unexpected financial and legal ramifications, and an increasingly critical public, forced the Tories into a strategic reteat with respect to the Petro Canada issue (Doern and Atherton 1987:131).

In 1983, under the new leader, Brian Mulroney, a task force was established to investigate the Crown Corporations and to develop a strategy for their management. In October 1984, it was announced that the assets of the Canadian Development Corporation would be sold; these included de Havilland, Canadair, Teleglobe, and Eldorado Nuclear. The focus at the time was to improve management of Crown Corporations, with a public policy purpose, and to devolve the others. The Task Force on Crown Corporations was enlarged in 1986 into a Cabinet Committee - Privatization, Regulatory Affairs and Operations.

The Canadian privatization program adopts a distinctly "made-in-Canada" approach, claims Barbara McDougal, Minister of State, Privatization, Regulatory Affairs (Pers. Com. October 1987). The policies are based on an appreciation for individual entreneurship and creativity; they seek a balance between the country's economic and social needs. The three goals identified for privatization are:

- to manage crown-owned assets more effectively;
- to make markets more competitive and fair; and
- to offer new opportunities for Canadians to share in the growth of these companies.

The federal government has divested itself of eleven companies since 1984. Even with these divestitures, the federal government remains owner and operator of 54 parent Crown Corporations with 117 subsidiaries.

B. Experiences of Provincial Jurisdictions

The experiences of other provincial jurisdictions responsible for park programs have also been reviewed. These have been reviewed for the purpose of providing a basis for comparison to the Alberta experience. The experience of the two most active provinces in privatization, Ontario and British Columbia, have been examined.

i. Ontario

In the later part of the 1970's, there was a shift in Ontario government policy which encouraged Ministries to "transfer to the private sector activities or responsibilities previously undertaken by Government, wherever such action is feasible" (Ontario Ministry of Natural Resources 1983). Prior to this, private sector involvement in

Parks was limited to the operation of concession buildings in some of the busier parks. There are now a number of formats being used to implant the policy initiative. These include concession agreements, service contracts, contracting whole park operations, leasing of whole park operations, co-operating associations, and volunteers.

Concession agreements have been used in Ontario's parks since the mid 1950's. They include the sale of firewood, fast food items, sundries, food supplies, outfitting services, canoe and boat rentals, riding horses, sailboard instruction and rental. There are numerous such agreements ranging from simple to complex operations.

Service contracts, which have become very common throughout the park system, include garbage collection/disposal, janitorial services, sewage pump out, painting, landscape maintenance, swimming pool operation and maintenance, security services, fee collection services and water taxi service. A standard agreement is utilized. Considerable savings have been realized by using service contracts (Ontario Ministry of Natural Resources 1976).

Contracting of whole park operations is an extension of the service contract to include all aspects of operating and maintaining the park. These have been limited to small operations where fees are not charged.

Under the lease agreement of a whole park, an operator contracts to operate the whole park in accordance with provincial park policies and standards as established in the agreement. Under this agreement, the contractor retains all revenues obtained from the park operation. Depending upon the situation, the contractor may pay the Ministry a fixed rent and/or percentage of the gross revenue. These agreements usually have a term of up to ten years. Only recreation class parks have been involved.

Co-operating associations are being encouraged in larger parks in which maps, publications and other park educational materials are sold at no cost to the park. As the associations grow, it is anticipated that they will participate in other aspects of park operations such as boat patrols and manning display booths.

The Ministry has a policy related to volunteers and actively recruits volunteer assistance. Volunteers have been used as campground hosts and in the interior management program of Quetico Provincial Park. The volunteer program is expected to expand slowly and involve volunteers in a wide range of parks' operation activities.

ii) British Columbia

In recent years, British Columbia has significantly increased the participation of the private sector in the operation and maintenance of parks. The 1985 policy statement of the British Columbia Parks and Outdoor Recreation Division strongly identifies the continued role of the Parks Division as guardian of the heritage and natural resources within British Columbia parks. However, at the same time, extensive private sector involvement is being encouraged.

In 1985, 1,400 fee-for-service contracts were undertaken for a variety of services. These included the complete operation of over 100 park units. Approximately 1,750 business ventures were operated on a concession basis. Three major park enterprises (ski hills) were sold to the private sector. Even greater involvement of the private sector is planned for the future.

The Parks Division has retained a four-fold management responsibility, as outlined by Policy Statement 379/G/2, 85/02/14 Parks & Outdoor Recreation Division and presented below:

1) To ensure that the park system's recreational lands, resources and heritage values are preserved and maintained in perpetuity for public enjoyment.

2) To plan and administer the orderly development and provision of the recreation opportunities and visitor services within the park system.

3) To provide basic access to and within provincial parks and to develop such public services and facilities as are offered without charge.

4) To provide necessary user-pay facilities in these locations or situations where it is inappropriate for the private sector to do so.

British Columbia is by far the most enthusiastic province in its embrace of public sector involvement in the provision of park services. It is important to note, however, that the Division's policy states that park land will not be alienated to the private sector by way of sale or lease. Contracts for an entire park unit of operation will only occur where requirements for management attention and resource protection are routine. Individual service or maintenance contracts, under the direct supervision of the Parks and Outdoor Recreation Division management, will be the preferred approach, providing this alternative is equal or more cost effective.

C. The Alberta Experience

i. The Development of Policy

On February 11, 1983 Honorable Peter Lougheed, Premier of Alberta, wrote his Ministers regarding an accelerated program of support for Alberta companies supplying goods and services to government projects. Although this correspondence did not directly reference privatization, the following statements were made which formed the beginnings of Alberta's move towards a privatization policy. Premier Lougheed proposed that each Minister address and initiate a program to:

> develop a greater awareness within your department, and other areas of responsibility, of the capabilities and capacity of Alberta firms to supply goods and services for ongoing needs and to new projects;
>
> identify areas of opportunity for Alberta firms to supply publicly funded projects;
>
> in the case of large contracts and/or orders to ensure that wherever possible bids can be parcelled in sizes that allow competitive bids by medium and small size Alberta firms.

Shortly after becoming Premier, the Honourable Don R. Getty reinforced Mr. Lougheed's statements in a memorandum to his Ministers in December 1985. His comments were directed specifically at the information processing and high technology industries.

Privatization was initially declared a policy goal of the Alberta Government in the March 15, 1984 Throne Speech. The speech stated that the government "continues to encourage the involvement of volunteer and the private sector providing services." The sale of Pacific Western Airlines and the closure of Temporary Staff Services Unit of the Personnel Administration Office is referenced. The speech stated, in reference to transportation, that:

> Maintenance activities such as snowplowing and mowing will be contracted as much as possible. My government will also continue its existing policy in respect to tendering construction work in a way which will assure that smaller contractors will be enabled to bid on major projects.

The government's approach to privatization was moderate, focusing on contracting-out, leasing, and devolving of commercial services.

The White Paper Proposals for an Industrial and Science Strategy for Albertans--1985-1990 was developed under the direction of MLA Keith Alexander in 1984. Mr. Alexander urged consideration of privatization of Alberta Government Telephones (Alberta Hansard May 17, 1984). He was a strong supporter of privatization, and the White Paper reflected this perspective for new roles for the private sector in traditionally public sector service delivery. At this time, MLA Brian Lee was also urging the privatization of the Alberta Liquor Control Board (Alberta Hansard October 30, 1984).

In the Budget Address of 1984, the Provincial Treasurer made the following observation:

> Government should not be doing work that could be handled more effectively by the private sector.

This remark indicated an ideological justification for privatization which had economic restrictions. Mr. Alexander provided a clear statement concerning privatization on the part of the Provincial Government when he moved the Speech From The Throne in 1985 (Alberta Hansard May 15, 1985):

> Privatization seeks two clear-cut and rational objectives. One is to have necessary services provided by the most efficient supplier. If that means government, there need be no privatization. If it means that business, private employers, can supply the service more efficiently, then privatization is obviously called for. The second objective is to reduce government's portion of the gross provincial product. All but the socialists and liberals among us believe that we as Canadians and Albertans need less government in our lives. I certainly do. Privatization is one way to achieve that.

The momentum of privatization has continued since these early statements were made. Momentum has been slow but deliberate. The Provincial Treasurer, in his 1984 Budget Address, stated:

> We will proceed with care to ensure the quality of public services is not jeopardized.

There have been fewer references to privatization in subsequent Throne and Budget Speeches. However, references began to appear in 1986 ARP presentations and policy documents.

ii. Alberta Department of Recreation and Parks

In the 1986 Alberta Recreation and Parks Budget Address, the Honourable Norm Weiss (Minister) made several references to privatization initiatives undertaken by the Department. These initiatives included manpower reductions, purchase of professional services from the private sector, increased purchase of certain park related services, joint venturing, and undertaking action to involve community organizations. Importantly, the speech pointed out that:

> The Department has not, nor will not relinquish the stewardship responsibilities it has for Alberta's much treasured and diverse park lands.

These statements also appeared in the Department's Draft Policy Statement released in 1986. Within the Draft Policy Statement a chapter has been dedicated to Partnership, Coordination and Collaboration. The Department's position is clearly established in the Executive Summary Statements:

> The Ministry will move towards approaches which nurture involvement of the voluntary not-for-profit sector and the commercial sector in the provincial recreation and parks system. The Ministry will consider the appropriateness of selected Ministry functions moving to these sectors.

Other statements of importance are made in reference to minimizing controls and regulations, and client self-reliance/autonomy:

> The Ministry will continue to reduce or minimize the controls and regulations associated with its programs and services. The complexity of all procedures and processes will be minimized. The Ministry will move towards approaches which place more responsibility with the individual and Ministry client groups.

Four sectors are identified as comprising the provincial system for recreation and heritage resource protection: the people themselves, the voluntary not-for-profit sector, the commercial sector, and the private sector. It is recognized that services could be privatized within any of these sectors. However, it is with respect to the commercial sector that the most significant statements are made (ARP 1986:119):

> Alberta Recreation and Parks will actively encourage the commercial sector to plan an increasingly important role within the provincial recreation and parks system. The Ministry will provide opportunities for and encourage the private sector to offer services related to its conservation/outdoor recreation system. This will involve contracting-out planning, construction, and maintenance services. The Ministry will also encourage commercial enterprise to provide appropriate services within and in relationship to its conservation-outdoor recreation system.

Three broad combinations of public/private initiatives which have been used by the department are identified within the unpublished position paper, "Principles of Privatization", presented February 15, 1985. These combinations are:

- government developed and government operated
- government developed and privately operated
- privately developed and privately operated.

Each of these combinations implies varying degrees of privatization with specific benefits or drawbacks attributed to each.

On June 1, 1987 ARP created its new "Parks Division" by merging the Operations and Maintenance Division and the Design and Implementation Division. Resulting from this merger was an Organizational Effectiveness Task Group. This group oversaw the development of the "Parks in the 1990's" position paper. This document clearly established the foundation upon which the Division's programs would be formulated, developed, and managed. In addressing privatization, the 1988 Employee Reference Manual for Parks in the 1990's states:

> Where appropriate, the Division will employ private sector firms and not-for-profit organizations in the provision of planning, design and construction services, plus operations and maintenance of facilities. Commercial and not-for-profit opportunities will be identified which could augment and support Division programs and services. Delivery of such services and programs by interested parties, volunteers and the commercial sector will be evaluated with due regard to economic considerations, consistency and quality of service, and where public access and safety plus land management are not at risk.

The principles which appear to guide the Alberta Department of Recreation and Parks privatization initiatives are:

1. Privatization may involve any or all of the four sectors of the provincial delivery system for recreation and heritage resource protection.
    - the people themselves,
    - the voluntary/not-for-profit,
    - the commercial, and
    - the public sector.
2. Privatization strives to reduce the influence of government, to reduce public expenditures, increase business opportunities, and achieve efficient outcomes.

3. Privatization may provide viable economic opportunities to non-government organizations.
4. Current service levels in terms of consistency, public access, safety, and quality of service will be maintained or exceeded after privatization.
5. Privatization must not compromise the integrity of the natural resource. The stewardship of the resource will remain the responsibility of the Ministry.

iii. The Alberta Park System

The Ministry of Recreation and Parks is the population under study in this case study. A history of the park system delivered by ARP is provided. As well, the organizational structure of the Ministry is outlined. The purpose of introducing this information is to add clarity to later discussion and recommendations.

a) History

The earliest parks in Canada were established by the major municipalities once they received their incorporation prior to confederation. There was an early recognition by the city fathers of the advantage of open space for public use, especially if it could be obtained from senior government or through private gift (McFarland 1978:7). "Moreover the early development of municipal park services, together with the factors affecting that development, has had a continuing influence on the growth of municipal recreation program services, and, consequently, on the adoption of a broad municipal service embodying social and physical resource for recreation" (McFarland 1978:7). The earliest parks were the result of requests for land from senior governments and donations from private citizens. Requests for crown lands and military reserves for park land were granted. The Halifax Common was established in 1763 by the Lieutenant Governor of Nova Scotia. The first acquisitions for Mount Royal Park in Montreal occurred in 1872. A committee on Public Walks and Gardens was established by Toronto City Council about 1851. The Garrison Reserve was leased to the city of Toronto in 1848 for the purpose of developing a park. Toronto Island Park was obtained by crown grant in 1867. The federal government authorized a ninety-nine year lease to the City of Vancouver in 1887 establishing Stanley Park. These early park establishments demonstrate the importance of early cooperation between levels of government and private citizens to establish parks and public gardens.

The federal government retained jurisdictional control over lands and natural resources, excluding wildlife, in the prairie provinces until August 1, 1930. The first Provincial Park established in Alberta was Aspen Beach Provincial Park, established November 22, 1932. The legislative situation was primarily responsible for the late development of Alberta's Provincial Park System.

The stimulus for Provincial Park establishment in Alberta came from Premier J.E. Brownlee, claimed Morrison, Walls, Bloomfield (1968:8). In 1929, his government passed the Town Planning and Preservation of Natural Beauty Act and appointed a special committee to investigate the possibility of park development in the province. Brownlee's specific interests in Provincial Parks was apparently inspired by observations he made while on a trip to Europe and the

British Isles in 1927 (Mason 1988:47). He returned from the trip to Britain promoting a "beautification" movement. The primary purpose of the Town Planning and Preservation of Natural Beauty Act was to provide legal authority to urban administrators to facilitate the planning process and it was hoped improve the beauty of town properties.

In May, 1929 a special committee was appointed to investigate the possibility of park development in the province. In November, 1929 six sites were recommended to be established immediately and that title to Dominion lands surrounding four other sites should be acquired. In total sixty-seven sites of natural beauty were identified by the Committee (Mason 1988:52).

The Provincial Parks and Protected Areas Act was passed March 21, 1930 and outlined the purpose of Provincial Parks. The Act established a Provincial Parks Board which was charged with the control and management of Provincial Parks. This Board became part of the Department of Public Works. For each park established, local boards of management were created. The resources to develop and operate the parks were obtained by donations from local citizens to the local advisory committees. The committees took on the task of day-to-day management of the parks.

In 1951, the Provincial Parks Act was enacted. Responsibility for Provincial Parks was transferred to the Department of Lands and Forests. The Act allowed for the hiring of park staff. The growth of the park system was significant within this period. The predominant demand for new parks came from groups or individuals who sought to have their local picnic, sport or campsite reserved.

April 7, 1951 the Provincial Parks Act transferred parks administration from the Department of Public Works to the Department of Lands and Forests. The revised Act of 1954 (Section 15) allowed for the appointment of such officers and clerks required to administer and enforce the provisions of the Act. The mandate was also expanded to include Natural and Wilderness Areas. Provincial Parks became a Branch of the Department of Lands and Forests in 1958, an indication of their growing importance. Historic sites were added to the park system in 1953 and by 1964 nineteen sites had been established.

The professionalization and maturation of the parks administration was both a consequence and a cause of the decreasing influence of the Advisory Committees claimed Mason (1988:106). The Advisory Committees were not dismantled until 1974.

In 1959 the Willmore Wilderness Provincial Park Act was enacted. In 1961 the Sifflear and White Goat Wildernesses were reserved under the Forest Reserves Act of 1950. The Wilderness Areas Act of 1971 clarified the legal status of these reserves.

The Provincial Parks Act of 1964 dismantled the Parks Board and made it advisory.

In 1968 the Municipal Aid Grant Development Program initiated in 1964 was eliminated. Through this program 217 rural parks were established by Counties, Municipal Districts and Improvement Districts.

The first Provincial Parks Policy Statement was tabled in 1967. This initiated planning in the parks and for the park system. A second policy statement was introduced in 1973. This resulted in increased financial resources for provincial parks and decentralization of administration to the four administrative districts.

In 1975 the Provincial Parks Division was amalgamated with the Recreation Division (formerly of the Culture, Youth and Recreation Department) to form the Department of Recreation Parks and Wildlife. Responsibility for Historic Sites was transferred to the Department of Culture. In 1978 Kananaskis Country was created. The Fish and Wildlife Division was transferred to the Department of Energy and Natural Resources in 1979.

As the result of political motivation Fish Creek Provincial Park, an Urban Park, was established in Calgary in 1975. The political fall-out resulted in the creation of the Urban Parks program (Mason 1988:165).

In 1979 Kananaskis Provincial Park and Kananaskis Country were established. The Wildlife Division of the Department was transferred to Public Lands in 1979; the remaining Divisions formed the current Department of Recreation and Parks.

The designation of Ecological Reserve was introduced in 1981 following the enactment of the Wilderness Areas Ecological Reserves and Natural Areas Act. The purpose was to safeguard unique ecological areas. Also, in 1981 the classification of Recreation Area was added. Camping sites with extensive use administered by the Department of Highways were transferred to ARP.

The Provincial Park Amendment Act received royal assent in 1983. The Act clarified regulatory powers, revised outdated wording and authorized the minister to administer lands under his jurisdiction which were not formally established as provincial parks or recreation areas. Regulations were established establishing fifty-two Provincial Recreation Areas.

In 1986 the Draft Provincial Parks Policy Statement was released. The mission of the Department as stated (1986:22) is:

> To enhance the individual and social well-being of Albertans and the economy of Alberta by providing, and encouraging the provision of, recreation opportunities, and participating in a provincial system for the protection and appreciation of the natural, historical and cultural resources of the province.

The Ministry of Recreation and Parks currently has legislative responsibilities under six Acts:

- Recreation Development Act
- Provincial Parks Act
- Wilderness Areas, Ecological Reserves and Natural Areas Act
- Department of Recreation and Parks Act
- Recreation Parks and Wildlife Foundation Act
- Alberta Sport Council Act

In the 1987 ARP Twelveth Annual Report, 12,276 campsites were available, whereas the 1984 ARP Ninth Annual Report reported 11,049 available sites. In 1982 3,662 Recreation Area sites were made the responsibility of ARP. Fifty-eight Provincial Parks, sixty Provincial Recreation Areas and three Wilderness Areas were operated by the Operations and Maintenance Division, and 1,782,623 individual camper nights occurred in 1986/87. Kananaskis Country, a year round, multi-use recreation area encompassing 4000 square kilometers, including three Provincial Parks and 42 recreation areas recorded 415,174 overnight campers. Kananaskis Country provided 2,946 campsites and 1,131 day use sites.

In addition to these programs, the Recreation Development Division provided grant assistance to establish 129 Municipal Recreation and Municipal Recreation/Tourism Areas, 5 Urban Parks, and Capital City Recreation Park. The Division also provided grants to Municipalities for the operation and maintenance and construction of recreation facilities; these include the Community Recreation/Culture grant, Municipal Parks Operating Grant, and the Recreational Trail Development Grant. The 235/75 J grant program also provided assistance to Provincial Associations, some of which have mandates to lobby government on environmental and park related issues. The Design and Implementation Division in co-operation with other departments managed the Ecological and Natural Areas Program. In addition, consultative assistance was made available to assist other government agencies and not-for-profit organizations operating or constructing park facilities. The existing park system is identified in the following figures:

Figure 4	Alberta Provincial Parks
Figure 5	Alberta Provincial Recreation Areas
Figure 6	Municipal Recreation Areas
Figure 7	Municipal Recreation/Tourism Areas

b) Structure

The structure of ARP has been modified in 1988/89 as the result of the merger of the Operations and Maintenance Division and the Design and Implementation Division. However, since this study utilizes 1987/88 data for analysis, the structure of the Department prior to

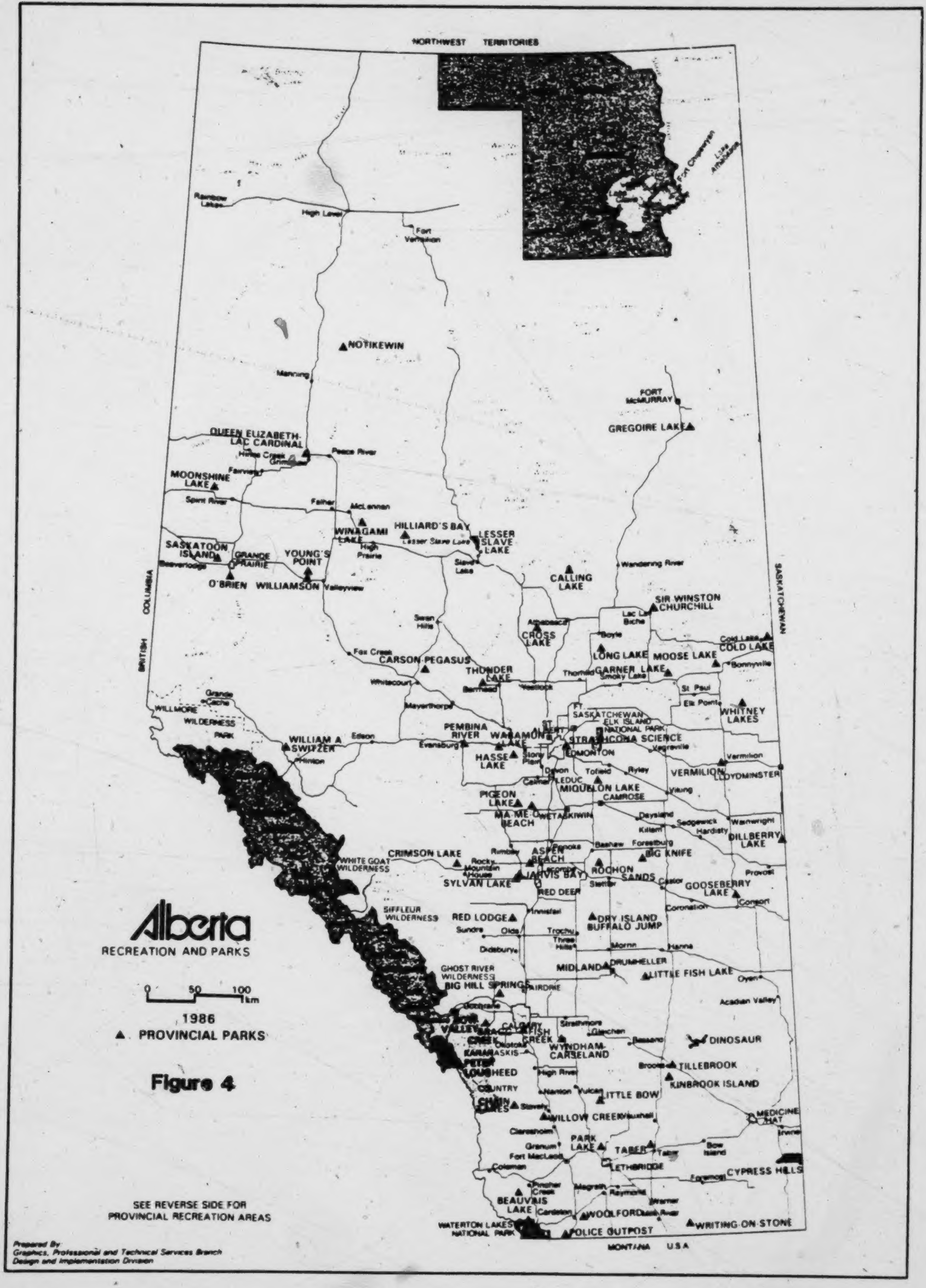
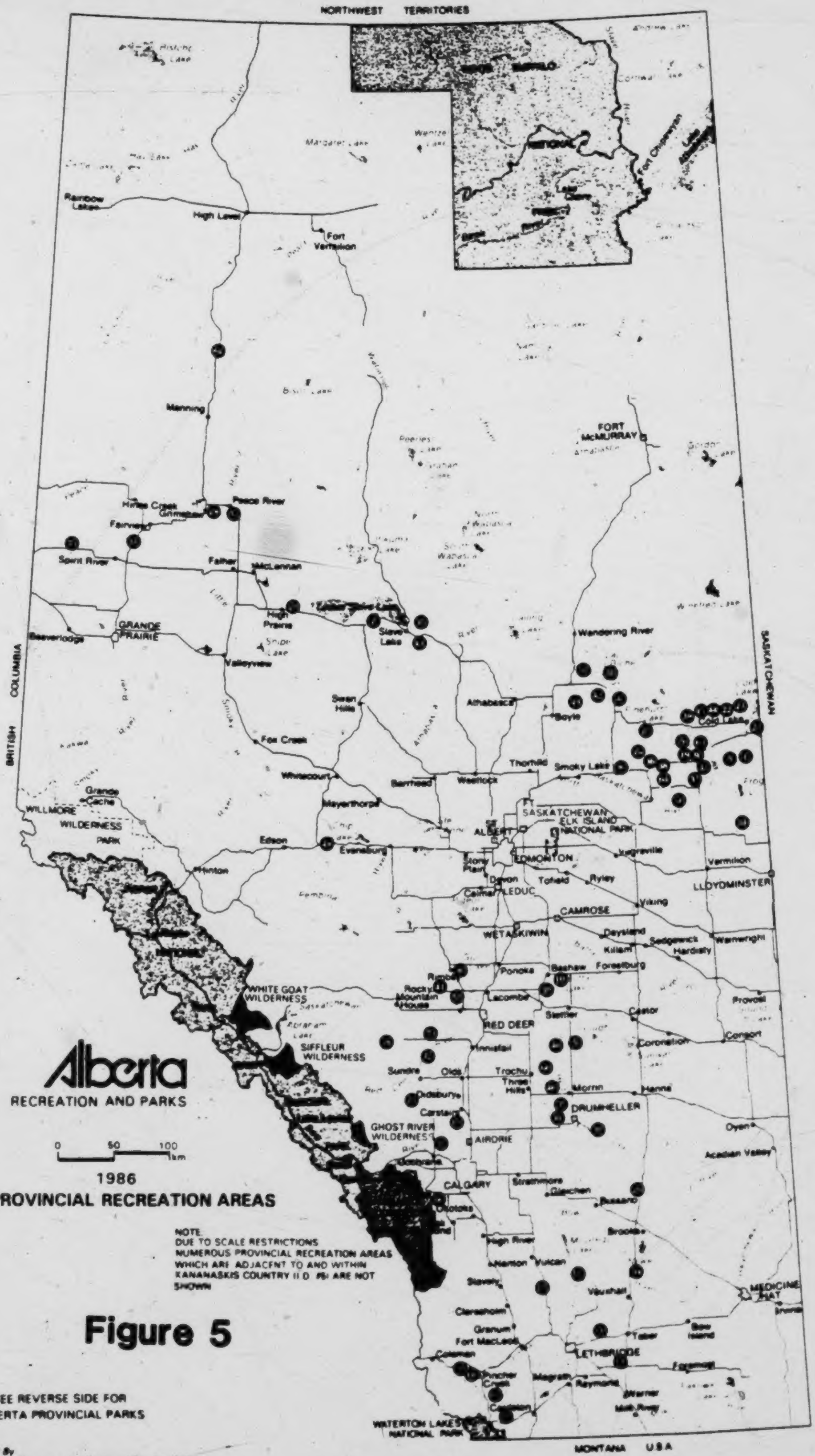
NORTHWEST TERRITORIES
Rainbow Lakes
High Level
Fort Vermilion
Fort Chipewyan
Lake Athabasca
NOTIKEWIN
Manning
FORT McMURRAY
GREGOIRE LAKE
QUEEN ELIZABETH-LAC CARDINAL
Hines Creek
Grimshaw
Peace River
Fairview
MOONSHINE LAKE
Spirit River
Falher
McLennan
HILLIARD'S BAY
WINAGAMI LAKE
LESSER SLAVE LAKE
Lesser Slave Lake
High Prairie
SASKATOON ISLAND
GRANDE PRAIRIE
YOUNG'S POINT
Beaverlodge
O'BRIEN
WILLIAMSON
Valleyview
Slave Lake
Wandering River
CALLING LAKE
SIR WINSTON CHURCHILL
Lac La Biche
Swan Hills
Athabasca
CROSS LAKE
Boyle
Cold Lake
COLD LAKE
LONG LAKE
MOOSE LAKE
Bonnyville
Fox Creek
CARSON-PEGASUS
THUNDER LAKE
Thorhild
GARNER LAKE
Smoky Lake
Whitecourt
Barrhead
Westlock
St Paul
Elk Point
WHITNEY LAKES
BRITISH COLUMBIA
SASKATCHEWAN
Grande Cache
WILLMORE WILDERNESS PARK
Mayerthorpe
FT SASKATCHEWAN
ELK ISLAND NATIONAL PARK
PEMBINA RIVER
WABAMUN LAKE
ST ALBERT
STRATHCONA SCIENCE
Edson
WILLIAM A SWITZER
Evansburg
HASSE LAKE
Stony Plain
EDMONTON
Vegreville
Vermilion
Hinton
Devon
Tofield
Ryley
VERMILION
LLOYDMINSTER
Calmar
LEDUC
MIQUELON LAKE
PIGEON LAKE
CAMROSE
Viking
MA-ME-O BEACH
WETASKIWIN
Daysland
Killam
Sedgewick
Hardisty
Wainwright
DILLBERRY LAKE
CRIMSON LAKE
WHITE GOAT WILDERNESS
Rimbey
Ponoka
ASPEN BEACH
Bashaw
Forestburg
BIG KNIFE
Rocky Mountain House
Lacombe
JARVIS BAY
SYLVAN LAKE
ROCHON SANDS
Stettler
Castor
RED DEER
GOOSEBERRY LAKE
Provost
Coronation
Consort
SIFFLEUR WILDERNESS
RED LODGE
Innisfail
Sundre
Olds
DRY ISLAND BUFFALO JUMP
Trochu
Three Hills
Didsbury
Morrin
Hanna
GHOST RIVER WILDERNESS
BIG HILL SPRINGS
AIRDRIE
MIDLAND
DRUMHELLER
LITTLE FISH LAKE
Oyen
Cochrane
Acadian Valley
BOW VALLEY
CALGARY
BRAGG CREEK
FISH CREEK
Strathmore
Gleichen
Bassano
DINOSAUR
Okotoks
KANANASKIS
WYNDHAM-CARSELAND
PETER LOUGHEED
Brooks
TILLEBROOK
High River
KANANASKIS COUNTRY
KINBROOK ISLAND
Nanton
Vulcan
LITTLE BOW
CHAIN LAKES
Stavely
WILLOW CREEK
Vauxhall
MEDICINE HAT
Claresholm
Irvine
Granum
PARK LAKE
TABER
Taber
Bow Island
Fort MacLeod
LETHBRIDGE
Coleman
Foremost
CYPRESS HILLS
Pincher Creek
Magrath
Raymond
BEAUVAIS LAKE
Warner
Milk River
Cardston
WOOLFORD
WRITING-ON-STONE
WATERTON LAKES NATIONAL PARK
POLICE OUTPOST
MONTANA U.S.A.
Alberta
RECREATION AND PARKS
0 50 100 km
1986
▲ PROVINCIAL PARKS
SEE REVERSE SIDE FOR PROVINCIAL RECREATION AREAS
Prepared By
Graphics, Professional and Technical Services Branch
Design and Implementation Division

Figure 4



Alberta
RECREATION AND PARKS

0 50 100 km

1986
● PROVINCIAL RECREATION AREAS

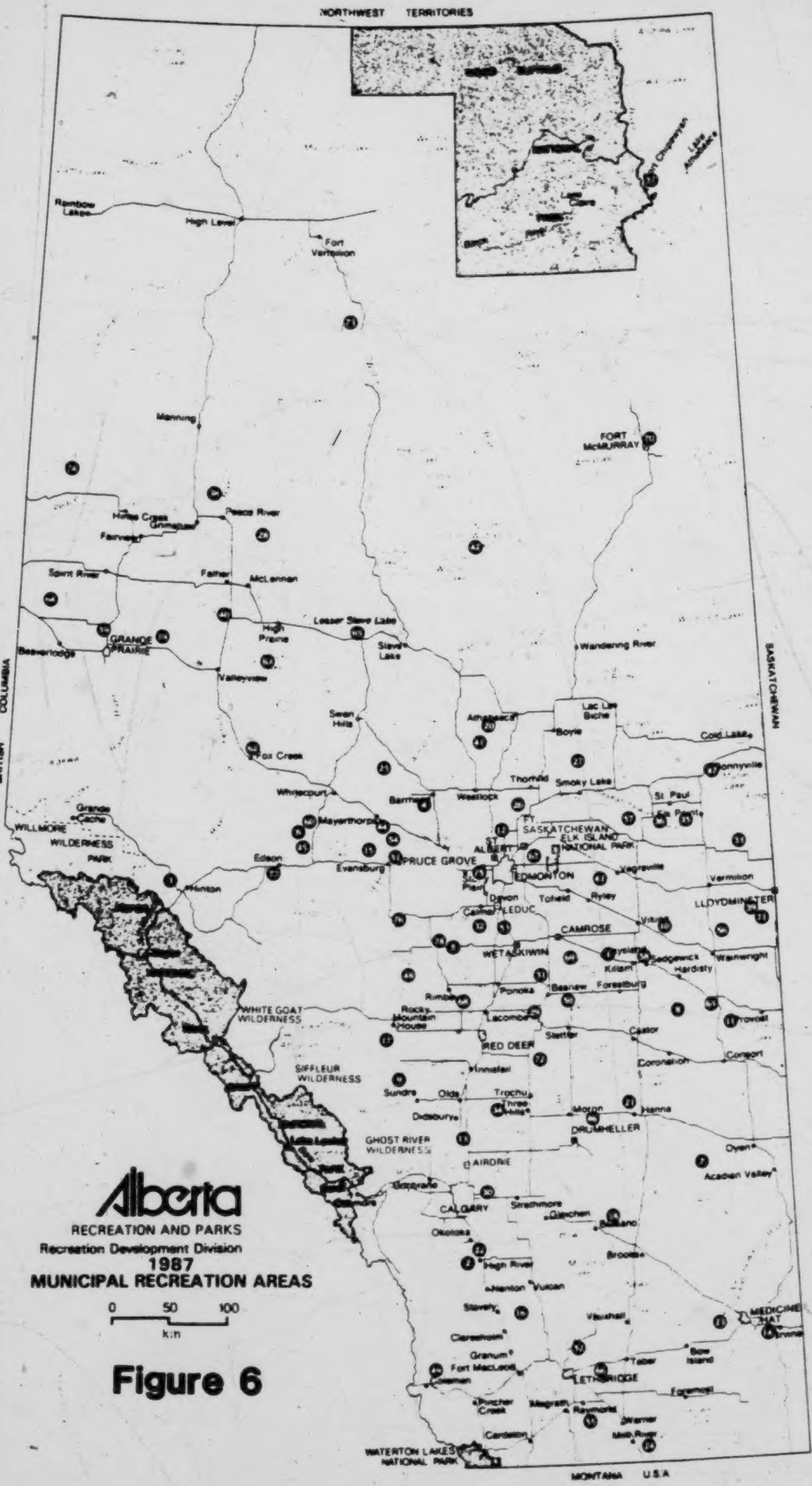
NOTE:
DUE TO SCALE RESTRICTIONS NUMEROUS PROVINCIAL RECREATION AREAS WHICH ARE ADJACENT TO AND WITHIN KANANASKIS COUNTRY I.I.D. #5 ARE NOT SHOWN

Figure 5

SEE REVERSE SIDE FOR ALBERTA PROVINCIAL PARKS

1. Angling Lake
2. Assineau River
3. Bear Trap Lake
4. Beaver Lake
5. Big Valley
6. Birch Bay
7. Bleriot Ferry
8. Bonnie Lake
9. Bonnyville Beach
10. Buffalo Lake
11. Carmangay
12. Castle River
13. Chin Coulee
14. Chin Lakes
15. Cremona
16. Crooked Creek
17. Dog Pound Creek
18. Dunvegan
19. Eastbourne
20. Emerson Bridge
21. English Bay
22. Ethel Lake
23. Fallen Timber
24. Floating Stone Lake
25. Fork Lake
26. Franchere Bay
27. Frenchman's Bay
28. Grimshaw
29. High Prairie
30. Hoodoos
31. Horseshoe Canyon
32. James River Bridge
33. Kehiwin
34. Lea Park
35. Lesser Slave River
36. Lower Mann Lake
37. Lundbreck Falls
38. Malleig
39. Manatokan
40. McKenzie Crossing
41. Medicine River
42. Missawawi Lake
43. Mitsue
44. Moore Lake East
45. Moore Lake West
46. Morrin Bridge
47. Muriel Lake
48. Nojack
49. North Buck Lake
50. Owl River
51. Peace River
52. Plamondon Beach
53. Raven
54. Scandia
55. Silver Valley
56. Stony
57. Sun Haven
58. Tay River
59. The Narrows
60. Tolman Bridge
61. Travers Dam
62. Twin Lakes
63. Vezeau
64. Vincent
65. Yarrow Creek
66. Brown-Lowery

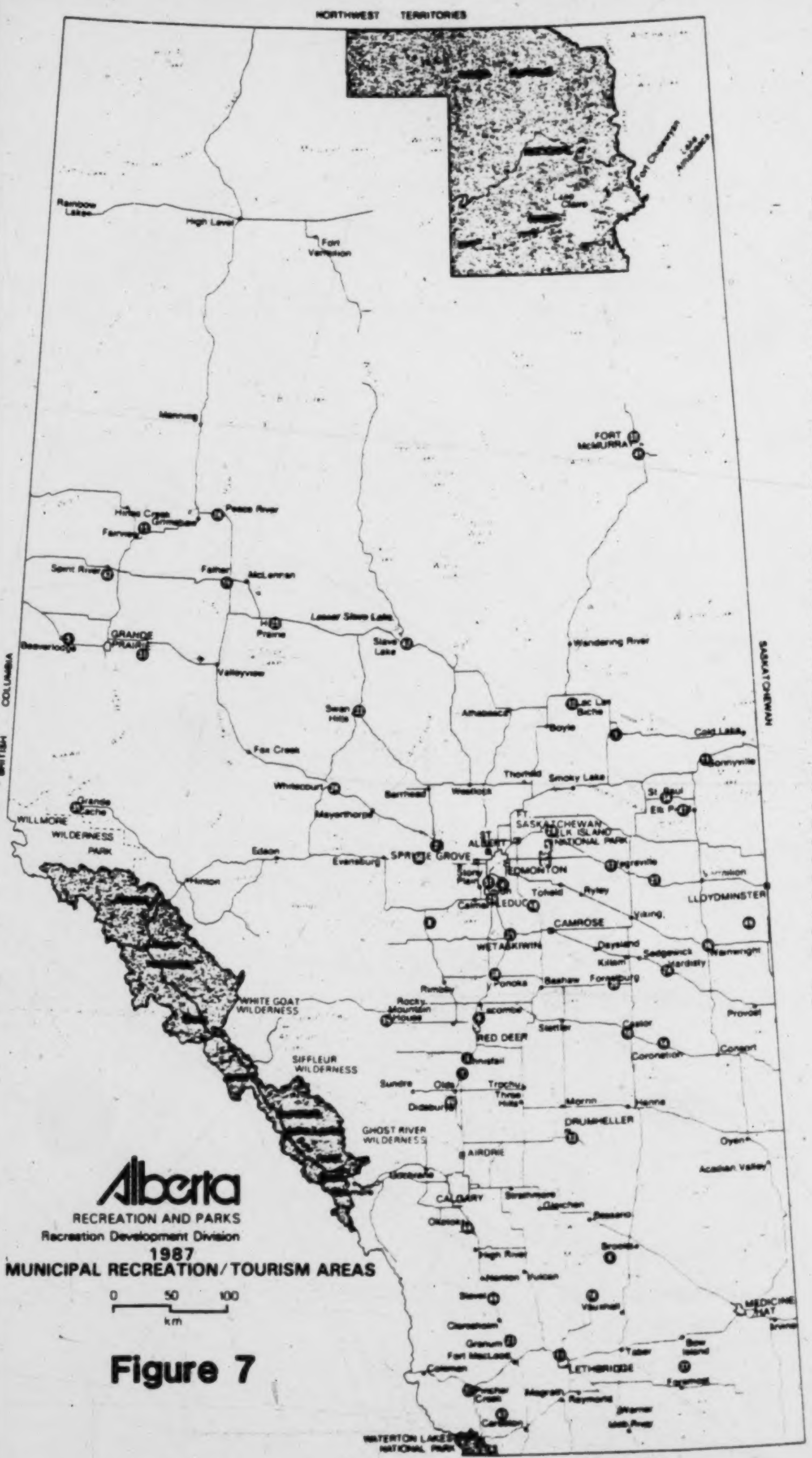
Prepared By
Graphics, Professional and Technical Services Branch
Design and Implementation Division



Alberta
RECREATION AND PARKS
Recreation Development Division
1987
MUNICIPAL RECREATION AREAS

Figure 6

1. ANSLEY PARK
2. ARCHIE & JANET HOGG PARK
3. ATHABASCA LOOKOUT/
   NORDIC CENTRE
4. BARRHEAD GOLF CLUB
5. BATTLE LAKE
6. BEAR LAKE
7. BLOOD INDIAN PARK
8. BURMA PARK
9. BURNSTICK LAKE
10. CAMP LAKE
11. CAPT. AYRE LAKE
12. CARDIFF PARK
13. CARSTAIRS
14. CAVAN LAKE
15. CHIP LAKE
16. CLEAR LAKE
17. COW LAKE
18. CRAWLING VALLEY
19. DEBOLT GOLF COURSE
20. FORFAR RECREATION PARK
21. FOX LAKE
22. GEORGE LANE MEMORIAL PARK
23. GOLDEN SHEAF
24. GOLD SPRINGS PARK
25. GOOSE LAKE
26. HALF MOON LAKE
27. HANMORE/ISLAND LAKE
28. HARMON VALLEY
29. HAUNTED LAKE
30. JOHN PEAKE MEMORIAL PARK
31. JOHNSON'S BEACH
32. JUBILEE PARK/WIZARD LAKE
33. JUBILEE REGIONAL PARK
34. KEIVERS LAKE
35. LAC BELLEVUE
36. LAC SANTE
37. LAKESHORE
38. LEDDY LAKE
39. LIN - FOREST BEACH
40. LITTLE SMOKY SKI HILL
41. LONG ISLAND LAKE
42. MAMAWINTOWIN RECREATION AREA
43. M. DRAHOMANOW
44. MAYERTHORPE
45. McLEOD VALLEY
46. MICHICHI RESERVOIR
47. MURIEL LAKE
48. OPEN CREEK
49. PASS POWDERKEG
50. PELICAN POINT
51. PEMBINA VALLEY GOLF CLUB
52. PICTURE BUTTE REGIONAL PARK
53. PIPESTONE CREEK
54. RANGETON
55. RIDGE PARK
56. RIVERDALE MINIPARK
57. SANDY LAKE
58. SEDGEWICK LAKE
59. SEXSMITH PARK
60. SHININGBANK LAKE
61. SHORNCLIFFE
62. SILVER BIRCH GOLF CLUB
63. SNIPE LAKE
64. SPRING LAKE SKI HILL
65. SPRUCE POINT PARK
66. STAFFORD LAKE
67. STRATHCONA WILDERNESS CENTRE
68. SUNSET CAMPGROUND
69. TILLICUM BEACH
70. THE SNYE
71. THREE CITIES
72. TRENVILLE PARK
73. WADLIN LAKE
74. WHISPERING PINES
75. WHISPERING WATERS
76. WILLEY WEST PARK
77. WILLMORE RECREATION PARK
78. WINFIELD



Alberta

RECREATION AND PARKS

Recreation Development Division

1987

MUNICIPAL RECREATION/TOURISM AREAS

Figure 7

1 ADRIAN HOPE SILVER BIRCH RESORT
2 ALBERTA BEACH CAMPGROUND
3 ANTHONY HENDAY CAMPGROUND DODD'S LAKE
4 BEAUMONT FOUR SEASONS PARK
5 BEAVERLODGE CAMPSITE
6 BOW CITY COMMUNITY PARK
7 BOWDEN HERITAGE REST STOP
8 BRETON COMMUNITY PARK
9 BURBANK PARK
10 CASTOR COMMUNITY CAMPGROUND AND RECREATION AREA
11 CHATWIN LAKE RECREATION AREA
12 CHUMP LAKE RECREATION AREA
13 COALHURST MINERS' MEMORIAL PARK
14 CORONATION RECREATIONAL PARK
15 CUMMINGS LAKE RECREATION AREA
16 Dr MIDDLEMASS PARK
17 ELKS KINSMEN COMMUNITY PARK
18 ENCHANT MUNICIPAL PARK
19 FALHER MUNICIPAL CAMPGROUND
20 FORESTBURG CAMPSITE & RECREATION AREA
21 FORTY MILE RESERVOIR PARK
22 FOUR SEASON TOURISM SITE
23 GRANUM MUNICIPAL CAMPGROUND
24 HARDISTY LAKE PARK
25 HIGH PRAIRIE RECREATION AREA
26 HOUSE MOUNTAIN RECREATION AREA
27 INNISFREE PARK
28 LAMONT PARK
29 LEDUC LIONS CAMPGROUND
30 MacDONALD DRIVE PARK
31 MARV MOORE CAMPGROUND
32 NEWCASTLE BEACH RECREATION AREA
33 OLD BEZANSON TOWNSITE
34 PARC LAGASSE PARK
35 PEACE HILLS PARK
36 PEACE RIVER PARK
37 PINCHER CREEK MUNICIPAL PARK
38 PONOKA STAMPEDE CAMP AND TRAILER PARK
39 ROCKY MOUNTAIN HOUSE TRAILS
40 ROSEBUD VALLEY PARK
41 ROTARY PARK
42 RYCROFT N.A.R. PARK
43 SAWRIDGE PARK
44 SHEEP RIVER PARK
45 SPRING GLEN PARK
46 STAVELY CENTENNIAL PARK
47 STONEY LAKE RECREATION AREA
48 TELEGRAPH PARK
49 THREE CITIES REGIONAL RECREATION PARK
50 WABAMUN WATERFRONT PARK
51 RIVER VALLEY RECREATION AREA

this merger is presented in Figure 7. The function of each Division is described in Appendix D.

PART III

The Privatization Typology

The crux of the privatization issue, claims Spencer (1983:15), "is about alternative and by implication the most cost efficient means of providing urban services other than by in-house public sector provision." The conceptual framework described here, the privatization typology, provides an inventory tool for the description of privatization service alternatives. The privatization typology is particularly useful as it essentially defines privatization as alternatives to government service. This approach does not provide guidance to what institutional arrangement is more appropriate to what service, however that function is a policy development issue. This descriptive approach is useful in systematically ordering the privatization initiatives.

The typology consists of two continua: service providers, and service provision mechanisms. Both characteristics vary in degree rather than being distinct characteristics. Each are independent attributes. Both characteristics can be arrayed in relation to one another. When arrayed in a simple matrix, a model for the inventory of privatization arrangements emerges, the privatization typology. The related literature utilized to develop the typology is summarized in Table 2.

Figure 8

Ministry of Alberta Recreation and Parks 1987/88

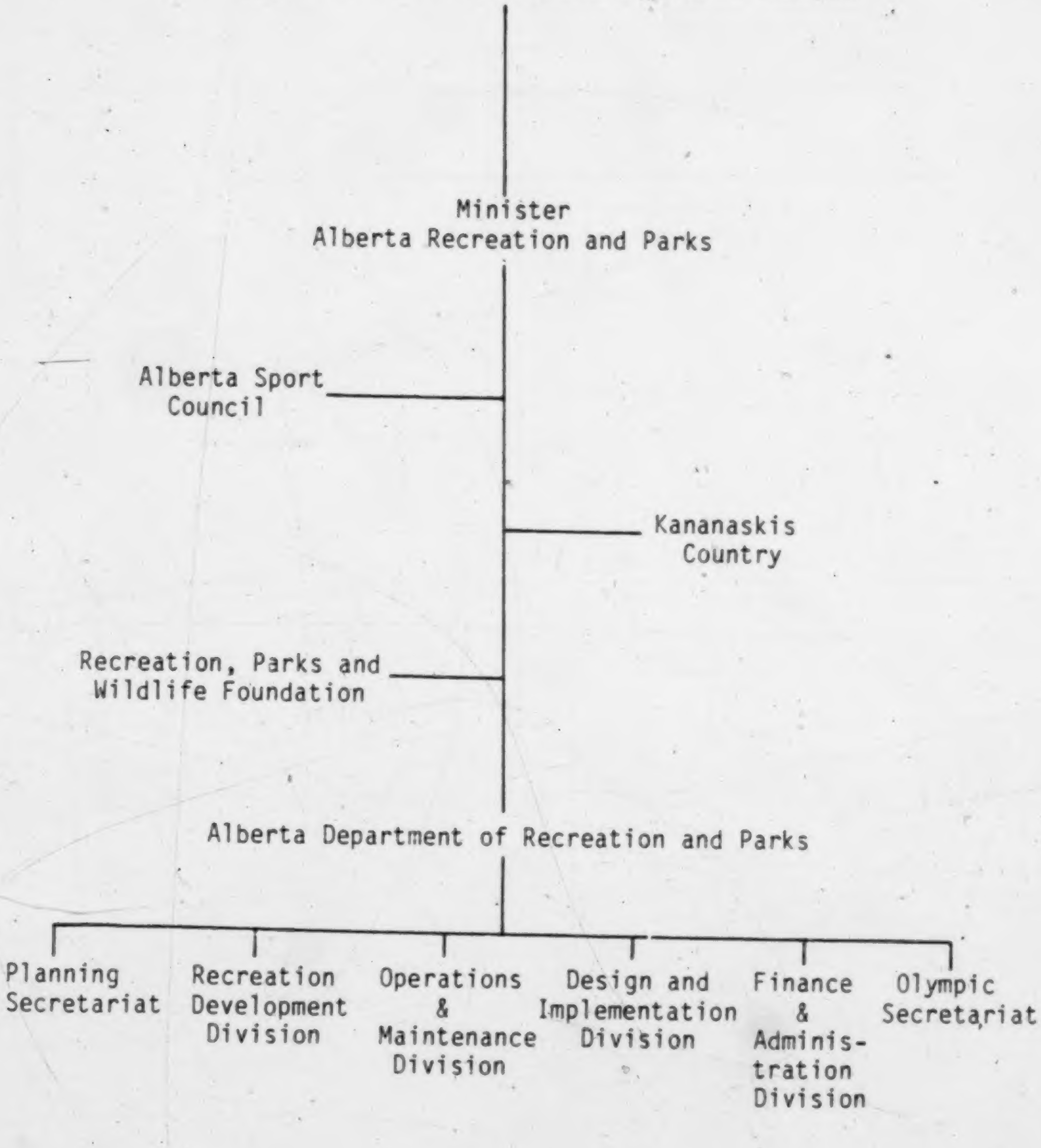

Minister
Alberta Recreation and Parks
Alberta Sport Council
Kananaskis Country
Recreation, Parks and Wildlife Foundation
Alberta Department of Recreation and Parks
Planning Secretariat
Recreation Development Division
Operations & Maintenance Division
Design and Implementation Division
Finance & Adminis- tration Division
Olympic Secretariat

Table 2

Summary of Literature Used in the Development of the Privatization Typology

Service Providers	- Characteristics of service providers	Burton and Kyllo, 1974
	- Continua of service providers	Sonenblum, 1974 Spencer, 1983 Poole, 1980
	- Sectors of enterprise	Ginzberg, Hiestard, Reubens, 1965
Service Provision Mechanisms		
	- Roles played by gov't in service delivery	Burton, 1982
	Sub-systems which make up the community recreation system	Murphy and Howard, 1977
	Elements to a service	Savas, 1985 Savas, 1987
	Service provision alternatives	Madson, 1985 US Dep't of Interior, 1979 Sonenblum, 1975 ARP, 1984 Ostrom & Ostrom, 1977
Function of Government Service		
	Function of Government in delivery of goods or services	Savas, 1987 Sonenblum, 1974

i) Service Providers

The first characteristic is service providers. The following discussion identifies the service provider alternatives available and presents these on a continuum from public to private institution.

Responsibility for the delivery of leisure services is divided among four sectors of society, claimed Burton (1982:107). The four sectors are:

1) Public sector - multiple levels of government.
2) Private sector - provide services exclusively for their members.
3) Voluntary sector - provide services to the public at large.
4) Commercial sector - provide services for those who can pay.

Some elements of each sector are found in the delivery of leisure services irrespective of the dominant political ideology.

Sonenblum (1974:11) identifies three classes of key actors who can engage in any one or all of the activities required to provide services to a city. These classes of actors are:

1) The private sector - residents and businesses in the city who are recipients of the service, as well as firms located in or outside the city who are actually or potentially producers and sellers of the service. Even though residents and firms are different actors in our system, the entire private sector is treated as a single actor.
2) Regional government - government organizations which engage in market activities on a region wide basis.

3) External government - government organizations and elites which significantly affect city government but are not themselves located in the region.

Spencer (1983:15) suggests that if an agency does not wish to provide all aspects of a service, it could call upon other agencies which would include:

1) Other public bodies
2) Private firms
3) Voluntary bodies
4) Coöperatives

Ginzberg, Hiestand, Reubens (1965:3) suggest that three principal sectors of enterprise exist: 'profit-seeking,' 'non-profit,' and 'government.' They collapse the non-profit and government types into the not-for-profit sector. They define a fourth type of enterprise as a quasi-government enterprise. These are large crown corporations such as public utilities. Defence companies, which provide all of their output to the Federal Government, and government-subsidized private enterprise in which government imposes regulations are examples of quasi-government enterprise.

From the above discussion, three distinct service providers were identified: the public sector, the quasi-public sector and the private sector. Institutions within each classification are listed below:

1) Public Sector - the multiple levels of formal government

  - local/municipal
  - regional/country/M.D./I.D.
  - provincial
  - federal

2) Quasi-Public Sector

a) Provide services to the public at large but are independent non-profit seeking

- non-profit association
- the church
- foundation

b) Provide services of a commercial nature but are closely allied or controlled by government

- Grown corporation
- controlled corporation

3) Private Sector - profit seeking enterprise which provides services on a user pay basis

- private club
- co-operative
- private or profit company
- individual/family

ii. Service Provision Mechanisms

The second characteristic of the privatization typology is service provision mechanisms. The following discussion identifies service provision mechanisms and presents these on a continuum.

Traditionally, government is organized by judicial areas and service class function; an alternative method is to identify suitable delivery mechanisms. Burton (1982) identifies five distinct roles played by government in the leisure services delivery system. These roles are not mutually exclusive. Burton claims that the roles identified provide a useful departure point for the analysis of government involvement in the provision of services. The five roles are:

- As a Direct Provider of Services

Government acts as the direct provider of leisure facilities, such as swimming pools, and arenas, and a wide variety of activity programs, such as provincial museums, and galleries.

- As an Arm's Length Provider of Services

  Government creates special-purpose organizations which operate at arm's length from the regular apparatus of government to provide leisure services: for example, radio and television authorities.
- As an Enabler and Coordinator of Services

  Government acts to encourage and assist other agencies and organizations to provide their own leisure services directly, and to coordinate the activities and resources of these groups.
- As a Supporter and Patron of Organizations

  Government acts as a (primarily financial) supporter and patron of leisure services organizations in the private, voluntary and commercial sectors of society.
- As a Legislator and Regulator of Activities and Organizations

  Government acts to legislate and regulate leisure activities and the organizations that provide them.

Murphy and Howard (1977:170) identify three sub-systems which make up the community recreation system:

1) Public Subsystem
2) Non-Profit Subsystem
3) Commercial Subsystem

They claim that there is traditionally little interaction between the subsystems. Although the goal of each is to maximize leisure opportunities, each has divergent value systems and service philosophies. Three approaches were identified for the public subsystem: direct provider, facilitator, and outreach. The direct provider approach is characterized by a central agency-determined approach to service delivery. The facilitator role takes on tasks of co-ordination, referral, and technical assistance. The purpose is to combine the unique resources of more than one agency to produce leisure services which could not be carried out by one agency alone. The outreach or extended service approach brings the services to special groups.

Three separate elements to a service are identified by Savas (1985:56). These elements are service arranger, service producer, and service consumers (pays producer). The service producer is the agent that actually and directly performs the work or delivers the service to the consumer. A producer may be a unit of government, a voluntary association, a commercial firm or the consumer himself. The service arranger is the agent who assigns the producer to the consumer, or vice versa, or selects the producer who will serve the consumer. The consumer is the receiver of the service. This receiver may be an individual, a household, residents of a geographic area, or group of people with common characteristics.

Savas combines these three elements in service delivery with nine service arrangements to create a "map" of potential service arrangements. The arrangements identified are: government service, intergovernmental agreement or contract, contract, franchise, grant, vouchers, market, voluntary, and self service. Table 3 illustrates how arrangements differ and how each is unique with respect to government, consumers, firms, and voluntary associations (Savas 1985:73). It is important to note that each possible arrangement may be found in a complex form - a combination of several of the arrangements identified.

PAGE 60 HAS BEEN REMOVED DUE TO COPYRIGHT RESTRICTION

Table 3: Institutional Arrangements for Providing Public Service

Source: Savas (1985:73)

Consolidating the discussion and the frameworks presented a continuum of service provision mechanism alternatives is proposed:

1) Regulated - government acts to legislate and regulate.
   - government is a supporter and patron.
2) Sale - government divests its participation.
3) Arm's length - create special purpose organizations to operate at arm's length from the regular apparatus of government.
4) Contract - The provision of a service/good, continue to act as the financer, planner and regulator of the service.
5) Grant - The provision of the service/good is conducted by a non-government agency, but the government acts as the financer and regulator of the service.
6) Direct Provider - government conducts all functions to provide the goods and services.

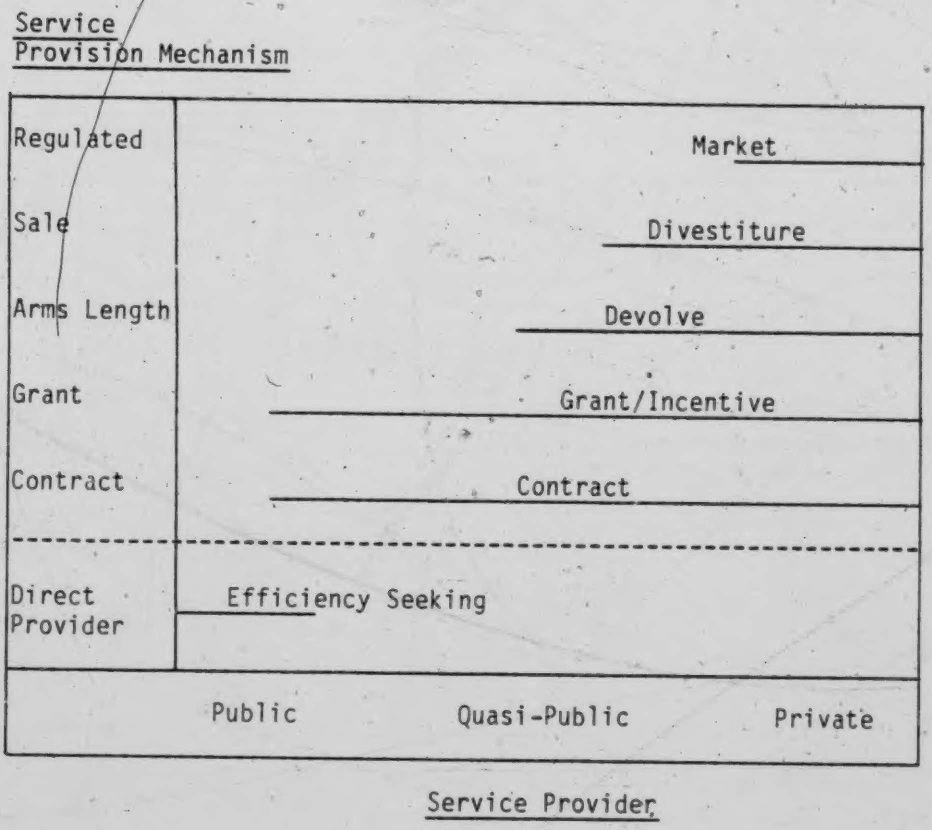
The methods utilized to operationalize the service provision mechanisms are identified in Table 4. This task represents an accumulation of service provision mechanisms selected from the literature review.

iii. The Privatization Typology

Placing the two continua together (service provision mechanisms and service providers) produces a typology. This privatization typology is presented in Figure 8. Six modes of service delivery

Figure 9

Privatization Typology



Notes: The horizontal lines below each privatization mode represent the dominant zones in which privatization arrangements are expected to occur.

emerge within the framework: market, divestiture, devolve, grant, contract, and efficiency seeking.

Efficiency seeking mode arrangements retain provision of goods and services responsibility within the public agency. The agency employs efficiency seeking mechanisms such as cost reduction and reorganization. New technology is employed or made mandatory. Introduction of computer systems for record keeping and instalment of fire alarm detection equipment are examples of new technology. User fees are one of the most important methods employed. The burden of paying for a service is transferred, in part or whole, to the consumer. Revolving funds allow agencies to retain user fees for the purpose of regenerating accounts established for specific purposes. The efficiency seeking mode arrangements retain the production, planning, financing and regulating functions of service delivery for the public agency.

The efficiency seeking mode is not privatization. Efficiency is not a free standing concept - it only has meaning when attached to a goal statement (Bella and Servos 1985:8). A public park has a complex set of goals. The concept of efficiency only recognizes the economic goals of the public park - ignoring many other goals that the government may have intended in creating or funding the public park. The concept of efficiency by its nature focusses on one economic goal, such as reduced per unit cost and ignores the trade off between economic and other complex goals. "To use a crude measure of efficiency" in assessing the contribution of such services to the public good is at best inappropriate" (Bella and Servos 1985:9). The efficiency seeking mode does not divest responsibility for the production,planning,financing or regulating of public goods delivery in any significant way. The methods utilized simply attempt to more efficiently deliver public goods. Efficiency seeking is the end product of a limited economic goal, the functions of government are not divested in any significant way. Therefore, the efficiency seeking mode is not considered to be privatization. This mode has been presented in the study as ARP has undertaken many initiatives within this mode. The argument for privatization has often been to achieve efficiency in the delivery of public goods, therefore it is important to identify these initiatives, recognizing that they are not privatization as defined within this study. Privatization means changing from an arrangement with government involvement to one with less involvement (Savas 1987:88). In the efficiency seeking mode this is not the case, therefore it is not a privatization mode.

Contract mode arrangements may occur between any of the service providers. The dominant provision mechanisms include purchase of service and goods agreement - standard contracts. Operating agreements transfer limited authority for decision making to the contractor; payment may not be directly from the government agency. A lease transfers lands to the contractor to be used for identified purposes. Leases range from simple cottage lots to complex major ski hill facilities. Management agreements involve a capital investment by the contractor as an element of a lease or operating agreement. The public sector may be diluted by contract maintenance expansions using private capital. Madsen (1985) uses the example of a private

Table 4

Service Provision Mechanisms

Regulated
- limit state powers to correct the market
- withdraw from delivery of good or service
- repeal monopolies and allow competition to grow
- deregulation

Sale
- sell the whole as a unit
- sell complete parts of the whole
- sell controlling interest of whole operation
- conditional conveyance
- divestment of minority share holding assets
- sell to the workforce
- give to the workforce
- give to the public

Arms Length
- establish a crown corporation or arms-length organization
- franchise, permit, license
- joint-venture

Grant/Incentive
- voucher
- direct payment transfer
- encourage exit of state provision
- tax incentives and dis-incentives
- professional support to organizations/individuals providing good or service
- buy out existing interest groups, cut-off new access, but maintain support to existing clients
- deregulation via voluntary associations
- encourage alternative institutions be established
- establish counter interest groups

Contract
- dilute the public sector (contract maintenance expansions using private capital)
- management agreement
- lease
- operating agreement
- purchase of service agreement
- purchase of goods agreement

Direct Provider
- user fees, revolving funds, partial or total cost recovery
- enforce use of new technology
- efficiency seeking mechanisms

company contracted to construct and later collect a toll for the use of a highway. All contract mode arrangement involve a formal contractual agreement. The production function of service delivery is transfered to the contractor. The planning, financing, and regulating functions are retained by the public agency.

Grant/Incentive mode arrangements may occur between any of the service providers. However, the majority of these are targeted at quasi-public agencies to assist them in the provision of services. Vouchers have been suggested by many authors as an important alternative service provision mechanism. Consumers utilize their voucher at their discretion, selecting the service provider of preference. Direct payment transfers are provided by all levels of government to support the missions of other institutions; these grants have varying conditions applied to them. An unusual technique to pursue privatization is to encourage the exit of state provision. By creating a superior/alternative supplier, the demand for state sponsored services may decline. Professional support may also be provided to ensure the success of the alternative supplier of goods. The use of tax incentives and disincentives is common to all governments. When discontinuing a service an interest group may be bought out by providing special concessions for existing clients. Counter interest groups which support the privatization initiatives undertaken can be established in this way. Alternative institutions can be encouraged to be established which undertake the delivery of services previously undertaken by government agencies. The production and planning functions are transfered in the grant mode to other service providers. Financing and regulating functions are retained by the public agency.

Devolve mode arrangements occur with quasi-public and private service providers. Three service provision mechanisms may be used. First, joint-venture agreements may be used where each contracting party contributes to the initiative for mutual benefit. Secondly, franchise, permits and license mechanisms establish agreements for the delivery of services. The establishment of a crown corporation, or arms-length organization, for the purpose of delivering a service or pursuing a policy initiative is the third technique. These arms-length agencies have greater freedom to operate in the free-market without the limitations of traditional government agencies; examples are Petro-Canada and the Alberta Sports Council. Devolving mode agreements retain only the regulating function of service delivery. Production, planning and financing are transfered to the arms-length service provider.

Divestiture mode arrangements occur with private sector service providers. The service provision mechanisms involve the sale or conveyance of ownership to private interests. The production planning and financing functions are transferred to the service provider. Regulating responsibility may be retained because of partial ownership by the state, or because the nature of the goods delivered by the service provider is of policy interest to the state.

The market mode of privatization occurs with private sector service providers. Service provision mechanisms involve the deregulation or limitation of state involvement in the delivery of goods and services. Production, planning financing and regulating functions are all transfered to the service provider.

Each mode of privatization represents a different combination of the four functions required to produce a service. These were identified earlier as planning, financing, regulating, and production.

"The distinction between providing or arranging a service and producing it is profound. It is at the heart of the entire concept of privatization and puts the role of government in perspective" (Savas 1987:61). Table 5 clearly demonstrates the function of government in the delivery of goods and services resulting from higher order modes of service delivery. Privatization means changing from an arrangement with government involvement to one with less involvement (Savas 1987:88). To privatize means to change from one arrangement to another higher on the list. The hierarchical order presented in the privatization typology is listed below in Table 6. The ranking of arrangements by Savas (1987:88) is also provided in Table 9.

Table 5

Function of Government For Each Privatization Mode

Mode of Service Delivery	Function of Government			
	Produce	Plan	Finance	Regulate
Market	•	•	•	•
Divestiture	•	•	•	X
Devolve	•	•	•	X
Grant	•	•	X	X
Contract	•	X	X	X
Efficiency Seeking*	X	X	X	X

Notes: *Efficiency Seeking is not a mode of privatization.
Where a function is occurring a "X" has been used for identification.

Table 6

Hierarchical Order of Privatization Modes

Privatization Typology Mode	Arrangement (Savas)
Market	Market; voluntary; self service
Divestiture	Franchise
Devolve	Voucher
Grant	Grant
Contracting	Contract
Efficiency Seeking	Government Vending
	Intergovernmental Agreement
	Governmental

Notes: The hierarchical order of privatization modes in the privatization typology is presented. The hierarchical order of the arrangements presented by Savas (1987:88) are provided for comparison.

III METHODOLOGY AND THE TREATMENT OF THE DATA

A. Treatment of Data

For the purpose of the study data were required which identified all privatization arrangements in 1983/84 and 1987/88 fiscal years. Data were collected from five sources: content analysis of contract agreements, manager interviews, the 1983/84 Park Cost Study, the Alberta Provincial Park and Provincial Recreation Areas Inventory, and the Operations and Maintenance Division Contract Summaries of contract arrangements. The manager interviews were essential in the identification of arrangements not involving formal contractural agreements, which the other sources provided. Each identified agreement or initiative was recorded on a privatization Study Record Sheet, as provided in Appendix C. After all data sources were reviewed, a code book was formulated and data were manually coded onto data sheets. The data were then entered onto the University of Alberta's Amdahl 5870 mainframe computer. With the use of the SPSSx computer program, descriptive and inferential statistics were generated. Each source of data is described below:

i. Primary Data Sources

Content analysis of contract agreements, 1980-1987

- ARP files provided information on the type of agreements being utilized and details of the goods and services provided

Survey of Selected Alberta Recreation and Parks Department Managers

- Selected managers were interviewed for the purpose of obtaining subjective identification of issues surrounding the privatization initiative and possible problems with the data sources. Privatization initiatives not utilizing formal contract agreements were also identified via the interview. A pre-interview letter was sent to selected managers in order to prepare them for the interview. An example of the pre-interview letter and the interviewers' record sheet are provided in Appendix A. The questions were open ended. The interviews were conducted in person by the researcher. Ten interviews were conducted. Interviewed were: Selected Section Heads in the Field Services Branch, Branch Directors in the Operations and Maintenance Design and Implementation, and Recreation Development Divisions.

ii. Secondary Data Sources

Alberta Recreation and Parks, Park Cost Study (1982-1983 and 1983-1984)

- This study provided detailed expenditure and management data by operations and maintenance function for all Provincial Parks and Provincial Recreation Areas.

Alberta Provincial Park and Provincial Recreation Areas Facility and Services Inventory

- The inventory provided detailed facility and management approach information on each Alberta Provincial Park and

Provincial Recreation Area.

- Operations and Maintenance Division Contract Summaries, 1984-1988
    - The summaries provide basic information concerning all operations and maintenance contracts for Alberta's Provincial Parks and Provincial Recreation Areas. Permission to access this data was provided by Mr. Bob McGee, December 1987.

iii. Criteria for Admissibility of Data

1. Only data that did not violate the confidentiality of the contracting parties was accepted.
2. Privatization agreements were selected if there was found to be a change in any of the functions: producing, planning, financing or regulating.
3. Minor contracts (short-form) were not included individually but were included as one case. These are usually used for purchase of goods and services under five hundred dollars.
4. Grant programs not specific to park operation and maintenance were included as a single case.

B. Research Methodology

Three research questions have been addressed in this study. The research methodologies are described in the following sections.

i. Research Question One

The purpose of the first research question was to identify the privatization arrangements (1987/88) being utilized by ARP for the operation and maintenance of Alberta's park operation and maintenance functions. All park program privatization agreements and initiatives utilized within the 1987/88 fiscal year were identified. Each agreement was classified utilizing the privatization typology presented in this study. The coded results were compiled into cross-tabulation tables using SPSSx. The purpose of this procedure was to provide a frequency count which might assist in identifying possible patterns.

Tables and statistics were produced for the following sets of variables:

a) service provider-by-service provision mechanism

b) summary service provider-by-summary service provision mechanism

c) privatization mode-by-service provider type

d) department service provider-by-mode of privatization.

ii. Research Question Two

The purpose of Research Question Two was to determine that as the result of the Alberta government's privatization policy, ARP has evolved to a higher order of park operation and maintenance service delivery.

The null hypothesis tested was as follows:

> There has been no significant difference in the delivery mode utilized for park operation and maintenance services delivered by the Alberta Department of Recreation and Parks between 1983/84 and 1987/88.

A quasi-experimental research design -- time series, pre-test post-test -- was selected. The time periods selected were the fiscal years 1983/84 and 1987/88. The phenomena under study, the privatization policy, was announced in the 1984 Throne Speech and was operationalized in the 1986 Alberta Recreation and Parks Draft Policy Statement. As described in Research Question One, the privatization agreements and initiatives undertaken in each sample year were inventoried and classified. Cross tabulation tables are provided for each sample year, as outlined in Research Question One. The cross tabulation and frequency statistics are summarized for comparison, and descriptive analysis is provided.

To test the hypothesis, a Sign Test for two related samples was applied. The Sign Test uses plus and minus signs rather than quantitative measures as its data. The Sign Test is useful for it is possible to rank the variables (privatization mode) with respect to each other in the members of each pair. Quantitative measurement is not feasible. An ordinal level of measurement is utilized for this analysis; therefore, the only assumption required is satisfied -- that the variable under consideration have a continuous distribution of differences (Siegel 1956:68). The test does not make any assumptions about the form of the distribution of differences, nor does it assume that all subjects are drawn from the same population. However, it must be demonstrated that each pair has achieved matching with respect to the relevant extraneous variables. To achieve this, each subject acted as its own control.

iii. Research Question Three

The purpose of the third research question was to investigate the relationship between the nature of the good or service privatized and the privatization mode utilized. The null hypothesis was stated as follows:

> There is no significant relationship between the nature of the good or service privatized by Alberta Recreation and Parks and the privatization mode utilized.

A measure of correlation was utilized to test the hypothesis. The assumption of a normal distribution cannot be assured, and the data used is nominal and ordinal scale. Therefore a non-parametric correlation test was selected. The variable nature of the good/service achieved a nominal level of measurement, and the privatization mode achieved an ordinal level of measurement. For this reason the most suitable test of association is the "Contingency Coefficient: C." The Contingency Coefficient C is a measure of the extent of association or relation between two sets of attributes.

Because C is a function of Chi-Square, the data must be amenable to the computation of Chi-Square before C can appropriately be used. Chi-Square can properly be used only if fewer than 20 percent of the cells have an expected frequency of less than 5 and no cell has an expected frequency of less than one. This limitation was not satisfied. However, the best alternative, Spearmans Rank correlation coefficient, violates the requirement of at least an ordinal level of measurement.

The variable "nature of the good/service" is made up of four values. Of these, three may be placed on an ordinal level of measurement. The fourth must be considered equal to the middle value. The Spearman Rank Correlation Coefficient Test was utilized. As the direction of the relationship could not be determined, a two-tailed test was used. The "nature of the good/service" variable was ranked as follows: Private, Toll, Common Pool, Public.

C. Validity and Reliability

Formative evaluation studies, such as this study, provide information which facilitates decision making concerning policy, management, or strategy.

The subjective elements of evaluation research, however, make validity difficult to control and to assess. "Validity refers to the extent to which any empirical measure adequately reflects the real meaning of the concept under consideration" (Babbie 1979:132). This study focuses on describing the privatization initiatives undertaken by Alberta Recreation and Parks for the operation and maintenance of park programs. This descriptive component of this study involves qualitative assessment and classification by both the researcher and interviewed managers. It is the researcher's belief that the data does reflect the concepts under study.

The privatization typology used as a framework to inventory and discuss the privatization arrangements is not a concern with respect to validity. The typology is a refinement of that presented by Savas (1985), one which is well accepted in this field of research. The privatization typology categories are easily identified, resulting in simple replication and verification of the results. In very few cases is there the opportunity for lack of consistent measurement.

The use of the Sign Test in Research Question Two only tests the hypothesis concerning the direction of change. The strength of that change cannot be determined because of the level of measurement limitation. The validity of the test will be high for testing the hypothesis. Other park agencies with careful scrutiny of the methodology may be able to utilize the results. However, these are specific to this case study. A case study deals with a population not a sample, therefore it makes no inferences to a larger population.

The use of the Spearmans Rank Correlation Coefficient to test Research Question Three violates the level of measurement assumption. However, this violation is marginal. This powerful test provided a measure of the relationship being analyzed. The second difficulty for Research Question Three is the categorization of each case for the variable "nature of the good/ service". The case may fall into multiple categories dependent upon various factors. The classification, although based on consistent established criteria, involved subjective interpretation on behalf of the researcher. These concerns do not bring the validity of the research into question as the concerns were carefully considered and controlled throughout the study. The Theory of Privatization presented by Savas (1985) is an established model concerning the classification of public goods. The theory of privatization (Savas 1987) is simply an extension of established public goods theory.

Reliability is not a concern for any of the research questions examined. Reliability "is a matter of whether a particular technique applied repeatedly to the same object would yield the same results each time" (Babbie 1979:129). Replication of this study using the same population would yield the same results as it is based upon a population not a sample.

The study methodology ensures that no ethical issues have been violated. Park names and managers surveyed have been assigned codes to prevent disclosure of sensitive information and/or responses. The codes will only be released upon direct request to the researcher in consultation with the Alberta Department of Recreation and Parks.

IV RESULTS AND DISCUSSION

This chapter presents results pertaining to each of the Research Questions. The results have been described and observations have been noted. The implications of the findings are discussed in Chapter V Summary, Implications and Recommendations. Cross tabulations are utilized to present much of the analysis; therefore, the interpretation procedure for cross tabulation has been described in Appendix E.

A. Research Question One

The purpose of research question one was to identify the form of privatization agreements utilized by ARP for the operation and maintenance of Alberta's parks in the 1987/88 fiscal year. Cross-tabulation tables were produced for the following combinations of variables:

Table 7	service provider	by	service provision mechanism
Table 8	summary categories of service provider	by	summary category service provision mechanism
Table 9	privatization mode	by	service type
Table 10	privatization mode	by	Department section responsible for delivery

Utilizing the framework of the Privatization Typology as described earlier, the 1987/88 fiscal year privatization arrangements have been described. The privatization typology identified six modes of service delivery: efficiency seeking, contract, grant/incentive, devolve, divestiture, and market.

Table 7

Service Provider By Mechanism 1987/88

Service* Provider	Mechanism* 0	1	2	3	4	5	6	7	9	13	16	17	18	19	20	32	34	ROW TOTAL
1	15 51.7 100.0 3.7	4 13.8 80.0 1.0	7 24.1 77.8 1.7							3 10.3 100.0 .7								29 7.1
2					1 6.3 .7 .2		1 6.3 20.0 .2	6 37.5 54.5 1.5				5 31.3 3.7 1.2	2 12.5 100.0 .5			1 6.3 25.0 .2		16 3.9
3											2 66.7 66.7 .5					1 33.3 25.0 .2		3 .7
6					1 .7 .7 .2	1 .7 25.0 .2	2 1.5 40.0 .5	1 .7 9.1 .2	1 .7 100.0 .2		1 .7 33.3 .2	130 94.9 96.3 31.7						137 33.4
8															1 100.0 100.0 .2			1 .2

* See Appendix C for variable codes.
See Appendix E for interpretation of a cross tabulation table.

Table 7 (Cont'd)

Service Provider By Mechanism 1987/88

Service* Provider	Mechanism* 0	1	2	3	4	5	6	7	9	13	16	17	18	19	20	32	34	ROW TOTAL
9						1												1
						100.0												.2
						25.0												
						2												
12				4	141	2	2	4						40		1		194
				2.1	72.7	1.0	1.0	2.1						20.6		.5		47.3
				100.0	98.6	50.0	40.0	38.4	100.0					100.0		25.0		
				1.0	34.4	.5	.5	1.0						9.8		.2		
13		1	2													1		4
		25.0	50.0													25.0		1.0
		20.0	22.2													25.0		
		.2	.5													.2		
14																	25	25
																	100.0	6.1
																	100.0	
																	6.1	
COLUMN	15	5	9	4	143	4	5	11	1	3	3	135	2	40	1	4	25	410
TOTAL	3.7	1.2	2.2	1.0	34.9	1.0	1.2	2.7	.2	.7	.7	32.9	.5	9.8	.2	1.0	6.1	100.0

* See Appendix C for variable codes.

See Appendix E for interpretation of a cross tabulation table.

Table 8

Service Provider By Mechanism Summary 1987/88

Service Provider	Mechanism						
	Direct	Contract	Grant	Arms Length	Regulated	Not Offered	ROW TOTAL
Public	26 54.2 89.7 6.3	8 16.7 4.8 2.0	10 20.8 7.0 2.4	2 4.2 4.7 .5	2 4.2 50.0 .5		48 11.7
Quasi Public		6 4.3 3.6 1.5	132 95.0 93.0 32.2	1 .7 2.3 .2			138 33.9
Private	3 1.5 10.3 .7	153 77.3 91.6 37.3		40 20.2 93.0 9.8	2 1.0 50.0 .5		198 48.3
Not Offered						25 100.0 100.0 6.1	25 6.1
COLUMN TOTAL	29 7.1	167 40.7	142 34.6	43 10.5	4 1.0	25 6.1	410 100.0

See Appendix E for interpretation of a cross tabulation table.

Table 9

Service Provider Type By Privatization Mode 1987/88

Mode	Maintenance	Visitor	Security	Capital	Adminis-tration	Other	Resource	ROW TOTAL
Efficiency Seeking	12 41.4 8.1 2.9	8 27.6 15.4 2.0	1 3.4 20.0 .2	1 3.4 25.0 .2	4 13.8 40.0 1.0	3 10.3 1.6 .7		29 7.1
Contract	133 79.6 89.3 32.4	4 2.4 7.7 1.0	4 2.4 80.0 1.0	1 5 25.0 .2	6 3.6 60.0 1.5	12 7.2 6.6 2.9	7 4.2 100.0 1.7	167 40.7
Grant						142 100.0 77.6 34.6		142 34.6
Devolve		40 93.0 76.9 9.8		1 2.3 25.0 .2		2 4.7 1.1 .5		43 10.5
Market	2 50.0 1.3 .5					2 50.0 1.1 .5		4 1.0
Not Available	2 8.0 1.3 .5			1 4.0 25.0 .2		22 88.0 12.0 5.4		25 6.1
COLUMN TOTAL	149 36.3	52 12.7	5 1.2	4 1.0	10 2.4	183 44.6	7 1.7	410 100.0

See Appendix E for interpretation of a cross tabulation table.

Table 10

Department Service Provider by Privatization Mode 1987/88

Department Service Provider*

Mode	1	2	3	5	6	7	9	10	12	13	ROW TOTAL
Efficiency Seeking	3 10.3 60.0 .7	1 3.4 33.3 .2	1 3.4 20.0 .2		2 6.9 28.6 .5	1 3.4 .7 .2			20 69.0 8.7 4.9	1 3.4 16.7 .2	29 7.1
Contract	2 1.2 40.0 .5	2 1.2 66.7 .5	2 1.2 40.0 .5	10 6.0 90.0 2.4	4 2.4 57.1 1.0				143 85.6 62.4 34.9	4 2.4 66.7 1.0	167 40.7
Grant				1 .7 9.1 .2		138 97.2 97.9 33.7	2 1.4 100.0 .5		1 .7 .4 .2		142 34.6
Devolve			2 4.7 40.0 .5		1 2.3 14.3 .2			1 2.3 100.0 .2	39 90.7 17.0 9.5		43 10.5
Market									3 75.0 1.3 .7	1 25.0 16.7 .2	4 1.0
Not Available						2 8.0 1.4 .5			23 92.0 10.0 5.6		25 6.1
COLUMN TOTAL	5 1.2	3 .7	5 1.2	11 2.7	7 1.7	141 34.4	2 .5	1 .2	229 55.9	6 1.5	410 100.0

*See Appendix C for variable codes.
See Appendix E for interpretation of a cross tabulation table.

i. Efficiency Seeking

The efficiency seeking mode of privatization (described in Chapter 2, Part III) is characterized by the mechanisms utilized; these include the following mechanisms:

- direct provision of all aspects of service
- new technology use enforced
- implementation of user fees

Any service provider can be utilized. However, it is evident from table 8 that ARP is the primary provider in this mode, 89.7 percent of the cases. A total of 29 cases fall in the efficiency seeking mode.

In the efficiency seeking mode ARP produces, plans, finances, and regulates service delivery. The arrangements are considered to be examples of privatization as there is some element of change toward a more efficient or more equitable institutional arrangement. The arrangements within the efficiency seeking mode are identified in Table 11.

Four of the arrangements identified involve the implementation of user fees. This arrangement transfers a greater portion of the actual cost to the individual user of the service. The total cost is not recovered, as for example in the cost of providing camping facilities. The 1986 Park Cost Study identified the cost per camper party night to be $33.50. The 1988 user fee per camper night was five, seven , or nine dollars per camper party night depending on the level of service. In addition, a cost reduction of fifty percent was implemented for senior citizens.

Table 11

Efficiency Seeking Mode Arrangements 1987/88

- new computer technology for Administration Support Branch
- increased camping fees
- increased cottage fees
- increased group use fees
- reservation fee introduced
- Sr. Citizen discount introduced
- seasonalization of parks
- life cycle costing project
- standards review
- production of Park User Statistics Manual
- introduction of mechanical garbage bins
- park reclassification
- employee suggestion program
- Fish Creek Provincial Park
- 10 maintenance contracts not issues from 1983/84
- introduction of Park Watch program
- increased use of self-registration
- introduction of Campground Host Program

A second grouping of similar arrangements are the standardization documents. The life cycle costing project, standards review, and park reclassification projects all strive for greater efficiency through improved planning and allocation of resources. Improved management approaches or the introduction of new technology also appear in the efficiency seeking mode. Initiatives undertaken include: new computers, seasonalization of parks, introduction of mechanical garbage bins, and the employee suggestion program.

A fourth apparent group employs initiatives which encourage Ministry clients to provide improved park services or to assist in the provision of the service. The Park Watch program asks users to assist in the provision of security services, and self registration systems require visitors to register and pay fees, unsupervised. The

Campground Host program integrates volunteers into the park operation.

A significant case which appears in this mode is Fish Creek Provincial Park. This park was developed by the City of Calgary, through grants, from the Urban Parks Program. However, operation and maintenance of the park is conducted by ARP.

The final grouping of arrangements to be noted are the ten maintenance contracts issued in 1983/84 which do not appear in 1987/88 as a result of the unavailability of suitable contractors and/or unacceptable tenders.

Approximately forty-one (41.4) percent of the efficiency-seeking mode arrangements involved maintenance function services and 26.6 percent involved visitor service functions. Sixty-nine percent, or 20 cases, were delivered via the park or district.

ii. Contract

The contract mode of privatization (described in Chapter 2 Part III) is characterized by the mechanisms utilized, which include the following mechanisms:

- purchase of goods agreements
- purchase of services agreement
- operating agreement
- lease
- Management agreement (capital involvement of contractor)
- dilute the public sector (contract maintenance expansion using private capital)

In the contract mode, ARP plans, regulates and finances service delivery; production is conducted by the contractor. The contractor may appear as any of the service providers identified. The arrangements within the contract mode are identified in Table 12. Approximately forty-one (40.7) percent of the cases (167) were delivered by the contract mode. One hundred forty-one cases were delivered by standard purchase of service contracts; these were primarily for maintenance services within provincial parks such as lawn cutting, grounds maintenance, and building cleaning. The service provider in all cases is the private sector. One contract for services was conducted by a not-for-profit association, the Scandia District Sr. Group in Scandia Park. Other purchase of service agreements include Ross Lake Campgrounds. This was a comprehensive maintenance and operation contract. This contract was not re-issued in 1988/89. Several studies were contracted to review technical aspects of projects, for example, Sikome Lake Water Quality Study. One contract with the private sector developed records management policy for a Branch of ARP.

Other government agencies have been contracted to provide services. A long standing arrangement has been in place with Alberta Fish and Wildlife and the Royal Canadian Mounted Police to co-operatively provide enforcement services. The Department of Public Works manages the vehicle fleet and housing used in parks; both of these are leased. Ecological Reserves, Wilderness Areas, and Natural Areas are co-operatively managed with the Department of Forestry, Lands and Wildlife. Telecommunications equipment is leased from Alberta Government Telephones.

Table 12

Contract Mode Arrangements 1987/88

- Youngs Point food concession
- Winagamy Lake food concession
- RCMP, F&W enforcement
- Co-operating Associations
- Youth Camps
- purchase of goods contracts
- short form contracts
- Ghost River PRA
- fire wood purchase
- 51 service contracts carry-over from 1983/84
- Vauxhall & District Sr. Group, Scandia Park
- 77 new service contracts
- Ross Lake Campground
- Crimson Lake Operating Agreement
- Carson - Pegasus Operating Agreement
- Forestry School enforcement training
- procurement management system
- bulk purchase system
- CVS maintenance
- AGT Equipment
- Housing Services
- Temporary Secretarial Services
- photo copy (etc.) leasing
- Records Policy Dev't
- Cypress Ski Hill/Strathcona Science Park Ski Hill
- Lesser Slave Lake Golf Course
- Grazing Assoc. Cypress Hills
- management of Blackfoot Grazing Reserve
- Cypress Hills Logging
- Wirogamy Logging
- Sicomie Lake Study
- Reservation System Study
- reduce A.V. Centre Services
- Strathcona Centre Watchman
- Fish Creek Watchman
- Moonshine horse logging
- Ecological/Wilderness/Natural Areas Management
- Blackfoot Grazing Assoc.

Purchase of goods agreements are used widely within the provincial park system. Short-form contracts and purchase of goods contracts are used to make purchases at all levels of ARP. The most significant of these is the standing offer for the purchase of firewood. Firewood is purchased for fifty dollars per cord upon delivery to the parks, in the specified form.

Operating agreements are in place for two provincial park campgrounds, Crimson Lake and Carson Pegasus. The operators manage the campgrounds and collect and retain user camping fees. Operators are only responsible for the camping facilities. Resource management and visitor security services are provided by ARP; major maintenance is also the responsibility of ARP. This approach was expanded to three additional campgrounds in 1988/89.

Ski hill facilities have been leased to private operators in Cypress Hills and Strathcona Science Provincial Parks. The Lesser Slave Lake Provincial Park golf course has been leased to a not-for-profit community association. Youth camps are located in several provincial parks and are leased to not-for-profit associations. In many provincial parks cottage lots are leased to private individuals.

Management agreements have been negotiated for two fast food concessions. The contractor will be responsible for the construction of a permanent facility. The establishment of co-operating associations is also an example of recent management agreements. Co-operating associations are formed to enhance the visitor services program within selected parks. At this stage, their focus is on the production and sale of site specific publications.

One hundred thirty-three, or 79.6 percent of the contract mode arrangements were for maintenance functions. Approximately eighty-three (82.6) percent of the arrangements were delivered by the park or district levels of ARP. The Regional Office delivered five cases.

iii. Grant/Incentive

The grant/incentive mode of privatization (described in Chapter 2 Part III) is characterized by the mechanisms used, which include the following mechanisms:

- establish counter interest group
- encourage alternative institutions within the private sector
- deregulation via voluntary associations
- buy out existing interest groups, cut off new access, but maintain support to existing clients
- provide professional support to organizations/individuals providing good or service
- provide tax incentives and dis-incentives
- encourage exit of state provision
- direct payment transfers
- special agreements (MRA, MRTA)

In the grant incentive mode, ARP regulates and finances service delivery; production and planning are the responsibility of the service provider. The service provider may be any of the service providers identified in the Privatization Typology. The arrangements identified in the grant mode are identified in Table 13.

Table 13

Grant/Incentive Mode Arrangements 1987/88

- MRA Workshops
- Parks Tips/Resource Material
- consultation
- reduced CRC
- Assoc. Grants to lobby groups
- Assoc. Grants
- Capital City Recreation Park
- Urban Parks
- Municipal Recreation Areas (MRA)
- Municipal Recreation/Tourism Areas (MRTA)

One hundred and forty two grant/incentive mode arrangements, or 34.2 percent, were identified. Extensive resources of ARP were allocated in grants in 1987/88. The grant/incentive mode arrangements identified are listed in Table 14. Within the grant mode, ARP retains the financing and regulating service functions. Production and planning of the service are the responsibility of the clients. The largest grant program identified was the Community Recreation/Culture (CR/C) grant program. The CR/C grants were provided to municipalities on a $12.00 per capita assessment. This was reduced from an earlier $20.00 per capita assessment. The municipalities utilize the funds for recreation and park services, both capital and operational.

Grants were provided to Provincial Sport and Recreation Associations to assist with the administration of their programs. The Alberta Sport Council and the Recreation, Parks and Wildlife Foundation provided enrichment funding to the recognized associations. Associations, such as the Alberta Fish and Game Association, the Canadian Parks and Wilderness Society, the Federation of Alberta

Naturalists, and the Alberta Wilderness Association, were provided grant funding. These lobbying, "watch dog" organizations criticize and review and provide input into provincial park policy development. They are not-for-profit interest groups which are directly funded, supported by and given consultative assistance by ARP.

Park operation and maintenance workshops, and resource materials were made available to clients of ARP. The primary target audiences were MRA and MRTA clients. However, the materials are available to any agency or individual who makes a request. The workshops and resource materials focus on items such as beach safety, implementing a self registration system, and resource recruitment for non-profit agencies.

Consultation assistance is offered to Department clients. The purpose of this assistance is to support client efforts to be self-sufficient, to enhance their skills, and to enable them to deliver services with minimum contributions from ARP.

One hundred and twenty-nine Municipal Recreation Areas and Municipal Recreation/ Tourism Areas have been established; eighty-six of these were developed after the 1983/84 fiscal year. The program provided a capital grant of up to $100,000, from the Heritage Trust Fund, to develop or enhance an outdoor recreation facility. The majority of sites are campgrounds; however, other facilities, which have received funding include golf courses, ski hills and community parks. An annual operating grant of twenty percent of the initial capital grant is committed for twenty-five years. Municipalities and not-for-profit associations are the recipients of these grants.

Consultative assistance is also provided for both the capital and operational components of the program.

The Urban Parks Program provided capital grants from the Heritage Trust Fund to five cities in Alberta to develop or enhance park facilities. An operating grant is provided annually. Fish Creek Provincial Park, in Calgary, as discussed earlier, was also developed under this program but is operated by ARP. Capital City Recreation Park (CCRP) was developed by the province and turned over to the City of Edmonton. An annual operating grant is provided to support the Urban Parks and CCRP. A second phase of the Urban Parks program is being considered.

All grant/incentive mode arrangements were coded to the "other" category for function as the grants are provided to another agency which is usually involved in the total operation of a facility. The grants are not for specific function but are in aid of total operation and maintenance. All grants are delivered by the Recreation Development Division.

iv. Devolve

The devolve mode of privatization (described in Chapter 2, Part III) is characterized by the mechanisms utilized which include the following mechanisms:

- Joint Venture
- Franchise, Permit, Licence
- establish crown corporation or arms-length organization

Forty-three arrangements, or 10.5 percent, were delivered by devolving mode agreements. In the devolving mode, ARP regulates service delivery. Production, planning and financing are the responsibility of the service provider. The arrangements identified in the devolving mode are identified in Table 14.

The majority of the devolving arrangements are for concessions within the provincial parks. A franchise is provided for the operation of fast food, boat rental, and other visitor services. The contractor provides the equipment and buildings required to operate the business and usually pays a fee or percentage of profits to the province. Concessions have been operated within provincial parks for many years. A shift, however, is occurring whereby contractors will construct permanent facilities and receive long-term leases for their operation. Most existing concession facilities are housed in mobile trailers. Twenty-eight new concession agreements were added between 1983/84 and 1987/88.

Alberta Culture has developed visitor centres within Writing-on-Stone and Dinosaur Provincial Parks. These facilities are operated by that department with assistance from ARP.

The Recreation, Parks and Wildlife Foundation is a crown corporation within the Ministry of ARP. The Foundation primarily disperses lottery funds for the purpose of enhancing recreation, park, and wildlife projects within the province of Alberta. Lands, gifts, and donations are accepted by the Foundation. In 1989, the Park Ventures Fund was created to accept gifts to enhance Alberta Provincial Parks and to encourage co-operative projects.

Ninety-three percent of devolve mode arrangements are for the delivery of visitor service functions. Approximately ninety-one percent of the arrangements are delivered by the park or district.

v. Divestiture

The divestiture mode of privatization (described in Chapter 2, Part III) is characterized by the mechanisms utilized which include the following:

- handover of shares to the public
- give shares to the workforce
- sell shares to the workforce
- divestment of minority share holding assets
- conditional conveyance
- sell controlling interest of whole operation
- sell complete parts of the whole
- sell the whole as a unit

No divestiture mode arrangements were identified in the study. This finding is further discussed in Chapter V.

vi. Market

The market mode of privatization (described in Chapter 2, Part III) is characterized by the mechanisms utilized which include the following:

- deregulation
- apply liquidation procedures on public organizations that do not perform
- repeal monopolies and allow competition to grow
- withdraw from delivery of good or service
- limit state powers to correct the market

In the market mode, ARP decreases its role in the regulation function. Production, finance, planning and regulation functions are the responsibility of the service provider. The arrangements identified in the market mode are identified in Table 15 and 16.

One percent of the cases fell into the market mode. In addition, 25 cases, or 6.1 percent, offered in 1983/84 were no longer offered in 1987/88.

Cottage services such as garbage collection, and fire wood provision have been withdrawn. The local municipality and the individual cottage owner are expected to provide these support services to cottages. Twenty-one Provincial Recreation Areas have been closed. These small under-utilized facilities have been transferred to other departments and municipalities or have been closed permanently. Two grant programs have been eliminated: the Recreational Trail Development Assistance Grant and the Municipal Park Operating Program Grant. Several concession agreements were also discontinued.

In several cases, needs were purposefully not filled by ARP to facilitate private market opportunities. In-house graphic services were reduced and are now purchased from private firms. Audio visual rental equipment needs are purchased from private firms.

B. Research Question Two

The purpose of research question two was to determine that as the result of the Alberta government's privatization policy ARP has evolved to a higher order of park program operation and maintenance service delivery.

Table 14

Devolve Mode Arrangements 1987/88

- concession agreements
- oil and gas lease(s)
- visitor centres (Alberta Culture)

Table 15

Market Mode Arrangements 1987/88

- consulting opportunities
- Silver Valley
- cottage services to individual
- cottage services to Municipality

Table 16

Services Not Offered 1987/88

- concession not let
- 7 PRA closure (previous maintenance contracts)
- termination of M.P.O.P. Grant
- termination of Trail Development Assistance Grant
- 14 PRA Closures

A time series, pre-test post-test quasi-experimental research design was selected. A Sign-Test for two related samples was applied to the sample years 1983/84 and 1987/88. As the direction of the distribution could not be determined, a two-tailed test was employed. The Sign-Test counts the positive and negative differences between the pairs of variables; zero differences are ignored. The test statistic Z (with a large sample) is approximately normally distributed with a mean equal to zero and a variance equal to one. If the null-hypothesis were true, it would be expected that about one-half of the differences would be negative and one half positive. If the statistic p is equal to, or less than the significance level, the null hypothesis is rejected. The null hypothesis tested was as follows:

> There is no significant difference in the delivery mode utilized for park operations and maintenance services delivered by ARP between 1983/84 and 1987/88.

One hundred and forty-six negative differences, 118 positive differences, and 146 ties were recorded. Z was found to equal 1.6671 and P to equal .0966. The significance level of .01 is less than P. Therefore the null hypothesis is accepted.

There is no significant difference in the delivery methods utilized by ARP. However, the direction of this difference observed is in reverse to that which was expected by the researcher. There were more negative rather than positive differences; this would appear to be the result of the high number of MRA and MRTA projects introduced between 1983/84 and 1987/88.

The privatization approaches utilized in 1983/84 and 1987/88 are compared in Tables 17, 18, 19. The cross tabulation tables are provided in Tables 20, 21, 22, 23.

Table 17 compares service providers in each of the sample years. There has been a drop in the number of arrangements provided by public service provision agencies: a decline of 100 arrangements. In balance there is a large increase in the number of arrangements provided by private and quasi-public agencies. Most of the growth has occurred in the participation of not-for-profit organizations and private for profit organizations. The increase in the number of MRA and MRTA sites may explain the increase in the not-for-profit organization. The increase in the private organization would appear to be explained by the large increase in fee for service contracts.

Table 18 summarizes the mechanisms utilized in each sample year. The large drop in category "0", direct provision, is a result of the matched pairs analysis used. One hundred and ten new agreements were initiated which delivered services on a higher level. New forms of technology have been introduced and user fees implemented or raised for various services. A large increase has occurred in the use of purchase of service contracts. The number of operating and management agreements also increased.

The largest change occurred in the provision of grants. Ninety-three additional grants were initiated, an increase from 12.0 to 34.6 percent of the cases. The number of franchises has also increased, from 2.4 to 9.8 percent. This reflects the increased number of concession operations.

The large change in the not offered category reflects the number of new MRTA and purchase of service agreements. The 25 cases observed in 1987/88 points out that some services have be absorbed by ARP to be delivered directly, or some services were no longer required.

The privatization modes are compared in Table 22. The largest changes occurred in the contract and grant modes. These contribute 75.3 percent of the cases in 1987/88.

C. Research Question Three

The purpose of the third research question was to investigate the relationship between the nature of the good privatized and the privatization mode utilized. The proposition tested was stated as follows:

> There is no significant relationship between the nature of the good or service privatized by ARP and the privatization mode utilized.

A measure of correlation was calculated to determine the strength of the relationship. The Spearmans Rank Correlation Coefficient Test produced the following statistics:

$r = .5751$

$N = 410$

Sig = .000

The test reveals that there exists a weak relationship between the nature of the good and the privatization mode. However, some observations can be made regarding the distribution of arrangements from Table 24. Approximately 91 percent of the arrangements involved toll or private goods. Arrangements affecting common pool goods impacted 1.0 percent, and arrangements affecting public goods impacted 6.1 percent of the cases.

Table 17

Comparison of Service Providers 1983/84 and 1987/88

		1983/84		1987/88	
Service Provider*		Cases	Percentage	Cases	Percent
Public	1	131	32.0	29	7.1
	2	16	3.9	16	3.9
	3	1	.2	3	.7
	4	0	0	0	0
	5	0	0	0	0
		148	36.1	48	11.7
Quasi Public	6	49	12.0	137	33.4
	7	0	0	0	0
	8	0	0	1	.2
	9	1	.2	1	.2
	10	0	0	0	0
		50	12.2	139	33.9
Private	11	0	0	0	0
	12	83	20.2	194	47.3
	13	0	0	4	1.0
		83	20.2	198	48.3
Not Offered	14	129	31.5	25	6.1

* See Appendix C for variable codes.

Table 18

Comparison of Service Provision Mechanisms 1983/84 and 1987/88

Mechanism*		1983/84		1986/87	
		Cases	Percentage	Cases	Percent
Direct Provider	0	125	30.5	15	3.7
	1	0	0	5	1.2
	2	0	0	9	2.2
		125	30.5	29	7.1
Contract	3	4	1.0	4	1.0
	4	76	18.5	143	34.9
	5	1	.2	4	1.0
	6	7	1.7	5	1.2
	7	4	1.0	11	2.7
	8				
		92	22.4	167	40.7
Grant	9		.2	1	.2
	10				
	11				
	12				
	13	1	.2	3	.7
	14				
	15				
	16	4	1.0	3	.7
	17	43	10.5	135	32.9
		49	12.0	142	34.6
Arms Length	18	5	1.2	2	0.5
	19	10	2.4	40	9.8
	20			1	0.2
		15	3.7	43	10.5

* See Appendix C for variable codes.

Table 18
(continued)

Mechanism*		1983/84		1986/87	
		Cases	Percentage	Cases	Percent
Handover of Shares	21				
	22				
	23				
		0	0	0	0
Sale	24				
	25				
	26				
	27				
	28				
		0	0	0	0
Regulated	29				
	30				
	31				
	32			4	1.0
	33				
		0	0	4	1.0
Not Offered	34	129	31.5	25	6.1

* See Appendix C for variable codes.

Table 19

Comparison of Privatization Mode 1983/84 and 1987/88

Privatization Mode	1983/84		1987/88	
	Cases	Percentage	Cases	Percentage
Efficiency	125	30.5	29	7.1
Contract	92	22.4	167	40.7
Grant	49	12.0	142	34.6
Devolve	15	3.7	43	10.5
Divestiture	0	0	0	0
Market	0	0	4	1.0
Not Offered	129	31.5	25	6.1

Table 20

Service Provider By Mechanism 1983/84

Service* Provider	Mechanism*													ROW TOTAL
	0	3	4	5	6	7	9	13	16	17	18	19	34	
1	123 93.9 98.4 30.0		7 5.3 9.2 1.7					1 .8 100.0 .2						131 32.0
2	2 12.5 1.6 .5	2 12.5 50.0 .5	1 6.3 1.3 .2		1 6.3 14.3 .2	3 18.8 75.0 .7			2 12.5 50.0 .5		5 31.3 100.0 1.2			16 3.9
3									1 100.0 25.0 .2					1 .2
6			1 2.0 1.3 .2		3 6.1 42.9 .7		1 2.0 100.0 .2		1 2.0 25.0 .2	43 87.8 100.0 10.5				49 12.0
9				1 100.0 100.0 .2										1 .2
12		2 2.4 50.0 .5	67 80.7 88.2 16.3		3 3.6 42.9 .7	1 1.2 25.0 .2						10 12.0 100.0 2.4		83 20.2
14													129 100.0 100.0 31.5	129 31.5
COLUMN TOTAL	125 30.5	4 1.0	76 18.5	1 .2	7 1.7	4 1.0	1 .2	1 .2	4 1.0	43 10.5	5 1.2	10 2.4	129 31.5	410 100.0

* See Appendix C for variable codes.

See Appendix E for interpretation of a cross tabulation table.

Table 21

Service Provider By Mechanism Summary 1983/84

Service Provider	Mechanism					
	Direct	Contract	Grant	Arms Length	Not Offered	ROW TOTAL
Public	125 84.5 100.0 30.5	14 9.5 15.2 3.4	4 2.7 8.2 1.0	5 3.4 33.3 1.2		148 36.1
Quasi Public		5 10.0 5.4 1.2	45 90.0 91.8 11.0			50 12.2
Private		73 88.0 79.3 17.8		10 12.0 66.7 2.4		83 20.2
Not Offered					129 100.0 100.0 31.5	129 31.5
COLUMN TOTAL	125 30.5	92 22.4	49 12.0	15 3.7	129 31.5	410 100.0

See Appendix E for interpretation of a cross tabulation table.

Table 22

Service Provider Type By Privatization Mode 1983/84

Mode		Service Type Maintenance	Visitor	Security	Capital	Adminis-tration	Other	Resource	ROW TOTAL
Efficiency Seeking		83 66.4 55.7 20.2	9 7.2 17.3 2.2	3 2.4 60.0 .7	1 .8 25.0 .2	5 4.0 50.0 1.2	22 17.6 12.0 5.4	2 1.6 28.6 .5	125 30.5
Contract		65 70.7 43.6 15.9		2 2.2 40.0 .5	1 1.1 25.0 .2	5 5.4 50.0 1.2	17 18.5 9.3 4.1	2 2.2 28.6 .5	92 22.4
Grant		1 2.0 .7 .2			1 2.0 25.0 .2		47 95.9 25.7 11.5		49 12.0
Devolve			9 60.0 17.3 2.2				6 40.0 3.3 1.5		15 3.7
Not Offered			34 26.4 65.4 8.3		1 .8 25.0 .2		91 70.5 49.7 22.2	3 2.3 42.9 .7	129 31.5
	COLUMN TOTAL	149 36.3	52 12.7	5 1.2	4 1.0	10 2.4	183 44.6	7 1.7	410 100.0

See Appendix E for interpretation of a cross tabulation table.

Table 23

Department Service Provider By Privatization Mode 1983/84

	Deptartment Service Provider*										
Mode	1	2	3	5	6	7	9	10	12	13	ROW TOTAL
Efficiency Seeking	4 3.2 80.0 1.0	1 .8 33.3 .2	2 1.6 40.0 .5		2 1.6 28.6 .5	1 .8 .7 .2			112 89.8 48.9 27.3	3 2.4 50.0 .7	125 30.5
Contract	1 1.1 20.0 .2	2 2.2 66.7 .5		6 6.5 54.5 1.5	4 4.3 57.1 1.0				76 82.6 33.2 18.5	3 3.3 50.0 .7	92 22.4
Grant				1 2.0 9.1 .2		46 93.9 32.6 11.2	2 4.1 100.0 .5				49 12.0
Devolve					1 6.7 14.3 .2	5 33.3 3.5 1.2			9 60.0 3.9 2.2		15 3.7
Not Offered			3 2.3 60.0 .7	4 3.1 36.4 1.0		89 69.0 63.1 21.7		1 .8 100.0 .2	32 24.8 14.0 7.8		129 31.5
COLUMN TOTAL	5 1.2	3 .7	5 1.2	11 2.7	7 1.7	141 34.4	2 .5	1 .2	229 55.9	6 1.5	410 100.0

* See Appendix C for variable codes.
See Appendix E for interpretation of a cross tabulation table.

Table 24

Nature of Good Privatized 1987/88

Good	Frequency	Percentage
Private	205	50.0
Toll	167	40.7
Common Pool	4	1.0
Public	25	6.1
Undetermined	9	2.2

The cross tabulation, Table 25, reveals that all modes of privatization were utilized for private goods. Contract for services and concessions were the preferred mechanisms. Grants were the preferred mechanisms for toll goods. However, these are primarily the MRTA grants. Contract and efficiency seeking were the other modes used to privatize toll goods. Four arrangements were identified for common pool goods. These arrangements included grazing and logging in provincial parks. Contract was the preferred mode of privatization for common pool goods. Public goods were privatized primarily through the efficiency seeking, contract and grant modes. The cases in the efficiency mode included administrative efficiency such as seasonalization. Contract mode approaches included inter-governmental agreements for enforcement services and management of ecological, natural and wilderness areas. Visitor centres were constructed by Alberta Culture. As well, co-operating associations and campground hosts offered visitor services which embrace the devolve mode of privatization.

Table 25

Nature of Good by Privatization Mode 1987/88

Mode	Good					
	Private	Toll	Common Pool	Public	Undetermined	ROW TOTAL
Efficiency	14	5		7	3	29
	48.3	17.2		24.1	10.3	7.1
	6.8	3.0		28.0	33.3	
	3.4	1.2		1.7	.7	
Contract	146	7	4	8	2	167
	87.4	4.2	2.4	4.8	1.2	40.7
	71.2	4.2	100.0	32.0	22.2	
	35.6	1.7	1.0	2.0	.5	
Grant	2	132		5	3	142
	1.4	93.0		3.5	2.1	34.6
	1.0	79.0		20.0	33.3	
	.5	32.2		1.2	.7	
Devolve	40			3		43
	93.0			7.0		10.5
	19.5			12.0		
	9.8			.7		
True	2	1			1	4
	50.0	25.0			25.0	1.0
	1.0	.6			11.1	
	.5	.2			.2	
Not Offered	1	22		2		25
	4.0	88.0		8.0		6.1
	.5	13.2		8.0		
	.2	5.4		.5		
COLUMN TOTAL	205	167	4	25	9	410
	50.0	40.7	1.0	6.1	2.2	100.0

See Appendix E for interpretation of a cross tabulation table.

Table 26

Nature of Good by Privatization Mode 1983/84

Mode	Good					
	Private	Toll	Common Pool	Public	Undetermined	ROW TOTAL
Efficiency	88	22	3	8	4	125
	70.4	17.6	2.4	6.4	3.2	30.5
	42.9	13.2	75.0	32.0	44.4	
	21.5	5.4	.7	2.0	1.0	
Contract	72	13	1	4	2	92
	78.3	14.1	1.1	4.3	2.2	22.4
	35.1	7.8	25.0	16.0	22.2	
	17.6	3.2	.2	1.0	.5	
Grant	1	43		2	3	49
	2.0	87.8		4.1	6.1	12.0
	.5	25.7		8.0	33.3	
	.2	10.5		.5	.7	
Devolve	10			5		15
	66.7			33.3		3.7
	4.9			20.0		
	2.4			1.2		
Not Offered	34	89		6		129
	26.4	69.0		4.7		31.5
	16.6	53.3		24.0		
	8.3	21.7		1.5		
COLUMN TOTAL	205	167	4	25	9	410
	50.0	40.7	1.0	6.1	2.2	100.0

See Appendix E for interpretation of a cross tabulation table.

Market mode captured only three cases, these include the withdrawal of providing selected services for cottages within provincial parks. As well, some services were not offered to clients in order to encourage an opportunity for private markets to develop. Only private and toll goods were privatized in this mode. Twenty-five services were privatized by discontinuing their provision by ARP; these include the closure of Provincial Recreation Areas, grant programs, and concession agreements. Again, these primarily include private and toll goods.

V. SUMMARY, IMPLICATIONS AND RECOMMENDATIONS

A. Summary

The problem addressed in this study consisted of describing the privatization arrangements undertaken by ARP. In addition, an inventory typology, adopted from Savas (1985), was introduced to systematically inventory the arrangements. The theory of privatization was explored. Three research objectives were formulated in order to assess the findings of this study against those that would be expected. This section addresses each research question and summarizes the relevant results.

The First Research Question. What privatization arrangements were utilized by ARP for the operation and maintenance of parks in the 1987/88 fiscal year?

Savas (1987:233) identified four "broad, interrelated, and mutually reinforcing strategies to be followed: load shedding, devolution, user charges, and competition." The results are discussed in reference to these strategies.

Load shedding refers to the partial or total withdrawal of government from an activity. The market privatization mode approaches can be utilized.

ARP has reduced services provided to cottages, closed Provincial Recreation Areas, and eliminated ineffective grant programs. Savas (1987:235) identified that "government withdrawal from established services will not be easy, for a new political consensus must be achieved to replace one that brought about government entry in the first place." This has been experienced in the case of Provincial Recreation Area closures and seasonalization of parks. Manager interviews revealed that political pressure resulted in the reopening of selected Provincial Recreation Areas and re-staffing of Provincial Parks identified for seasonalization. This pressure originated in the local area of the parks affected. Recognizing that up until 1974 each park maintained a local advisory board, and that most provincial parks were established as the result of local citizen initiative (Mason 1988), this outcome is understandable.

A second approach utilized is transfer by default in which a decision is made not to offer selected services or to limit the quality provided. Some services are purposely not offered by ARP, such as detailed facility planning, in a hope that a niche remains for the private sector. Unfortunately, in some cases other levels of government have stepped in to fill the need.

The emergence of private charitable organizations to assume part of the social burden of delivering park services has been occurring. Co-operating associations have been formed, and several not-for-profit organizations, such as the Wagner Bog Society, have taken on preservation mandates to protect important natural resources.

The second strategy suggested by Savas (1987) is devolution. This approach envisions the reduction of government's role by devolution, often referred to as denationalization. This approach embraces the divestiture and devolving modes of privatization. Government's role is reduced by increasing the role of the private sector.

ARP has not divested any of its operations to the private or not-for-profit sectors. Devolution techniques have focused on encouraging the establishment of visitor facilities within parks. These have included private sector concessions, and visitor centres. The very strong departmental commitment to retain the stewardship for park resources will restrict the use of this approach.

The third strategy is the implementation of user fees to make true costs more evident and to stimulate interest in alternative arrangements. This approach has embraced the efficiency seeking mode of privatization.

"User charges should be equal to the cost of service," claims Savas (1987:248). The purpose is to demonstrate the true cost of service. Users seek alternatives if they feel the service is not worth the price. The 1983/84 Alberta Park Cost Study found that the mean cost per party night to provide camping services was $33.50. Such a fee is not feasible as the political interface encourages the reduction of fees. Although user fees are slowly increasing in Alberta, camping fees are still the lowest in Canada. In addition, there are other toll and private goods being provided that could be considered for increased fees.

Park users are being encouraged to participate in self-service. Self-registration is widely utilized. The Park Watch program and The Campground Host program both encourage visitors to provide self-service, to take responsibility for the provision of enhanced services.

Fees collected by ARP are directly transferred to Alberta Treasury; there is no direct gain in revenue to ARP. Although on a provincial basis increased user fees are beneficial, it is not likely to be a strongly pursued option until direct benefits are realized by ARP. Efficiency seeking via innovative management will continue to be the focus of this strategy.

The fourth strategy is to introduce competition, where possible, to break-up government monopolies. This strategy embraces the grant and contract modes of privatization.

The Alberta's Private Campground Industry Study, (1988) identified government's monopoly on the provision of camping services in the Province of Alberta. Of the 883 identified campgrounds in Alberta, 118 were privately operated and 765 were operated by government agencies. A total of 39,195 campsites were available, 12,500 of these were provided by ARP and a similar number by private operators. Concentrations of private campgrounds were found in Central Alberta, around Edmonton, and in the "near north" - most are lake oriented. The government agencies providing campgrounds services are:

Agency	Campgrounds (1987)
Alberta Provincial Parks	201
Parks Canada	35
Alberta Transportation	115
Alberta Forest Service	145
Alberta Environment	14
Municipal and County	255

ARP does not have a monopoly on the campground market; however, government agencies collectively dominate. The consumers of public services have alternative producers to choose from. The MRA and MRTA programs have introduced an additional supplier of campgrounds: the not-for-profit organization. However, the majority of MRA and MRTA grants are provided to municipal agencies. ARP is encouraging further competition in the campground market through this program.

ARP has embraced the competition strategy at the park level by emphasizing contracting. Approximately forty (40.7) percent of all arrangements in the study were delivered by this mode of privatization; the majority of these were purchase of service contracts for maintenance services within Provincial Parks and Provincial Recreation Areas. These contracts were primarily with small local private businesses. Operating agreements were established for two campgrounds and a number of lease agreements were in place for the operation of visitor services such as ski hills and golf courses. A number of youth camps are located within provincial parks. Management agreements are in place with other government agencies for services ranging from housing, vehicles, and enforcement to operation of ecological, wilderness, and natural areas. Contracting is an important tool that has been used in varying approaches to foster competition between contractors and between contractors and ARP providers of park services.

The Second Research Question. There has been no significant difference in the delivery modes utilized for the delivery of park operation and maintenance services delivered by ARP between 1983/84 and 1987/88.

No significant difference was found to exist in the privatization modes utilized by ARP between 1983/84 and 1987/88. However, the direction of this relationship is opposite to that which was forecast. The growth of the MRA and MRTA program is proposed to have influenced the results.

Seventy-eight MRA and MRTA's were established between 1983/84 and 1987/88. It was found that 146 negative differences, 118 positive differences and 146 ties occurred in the sign test. The 78 MRA and MRTA's removed from the study would result in the following results: 68 negative differences, 146 ties and 118 positive differences. A significant difference in the service delivery modes would appear to have occurred in the positive (higher-order) direction.

Large variation occurred between 1983/84 and 1987/88 in the contract and grant modes. These constitute 75.3 percent of the arrangements in 1987/88, by far the preferred privatization approach.

The Third Research Question. What relationship exists between the nature of the good privatized and the mode of privatization utilized?

A weak relationship was found between the nature of the good and the mode of privatization utilized. However, it was found that nearly all of the goods privatized (90.7 percent) were private or toll goods.

Savas (1987:248) proposed that private goods should utilize the market arrangement. This study, however, found that all arrangements were employed and that the preferred mode was contract. Toll goods were delivered primarily by grant arrangements; whereas, Savas recommended franchise arrangements. Common pool goods were found to be delivered by contract mode as Savas suggested to be appropriate. Public/ Collective goods were recommended to be delivered by grant and voucher arrangements; it was found that the arrangements utilized included efficiency-seeking, contract and grant modes.

The study revealed the use of segmentation and the employment of hybrid arrangements. A provincial park, as a whole, may be a public good. However, segmentation reveals many private and toll goods within the operation and maintenance requirements. A range of approaches have been employed; many vary for the delivery of the same good. This hybrid approach has been supported by Savas (1987).

B. Theoretical Implications and Recommendations

A number of implications and recommendations for future research have arisen from this study.

The privatization typology developed in this study is a useful inventory tool. Several variations from the framework presented by Savas (1985) have been introduced. The primary variation in the privatization typology from that of Savas' is the identification of service providers as a separate continuum. Rather than a continuum of privatization mechanisms, as proposed by Savas (1985), a two continuum typology is presented: service provision mechanisms and service providers. Inter-government and voluntary mechanisms are classified as service providers rather than mechanisms, as identified by Savas (1985). Identification of the service providers assists in explaining the privatization approach employed for each good.

The typology presented in this study better links the "theory of privatization", presented by Savas (1987), to a practical implementation strategy as a result of an expanded typology. The second continuum, service providers, allows for a more consistent service provision mechanism continuum, as intergovernment and voluntary mechanisms are removed. Identification of service providers allows the creation of a typology. This privatization typology is more easily associated with the nature of goods typology (theory of privatization). A weak relationship was found to exist between the nature of goods and the privatization mode selected. Future research could investigate the relationship between these typologies.

The monetary value, size, or scope, of each agreement is not considered. The focus is on the number of arrangements occurring within each cell of the typology. The magnitude and nature of the relationship varies significantly among cases. Small purchase of service agreements are inventoried along with multiple complex agreements such as Capital City Recreation Park grants and ski hill and campground leases. This element of the arrangements should be addressed in future studies utilizing this research methodology.

The research methodology only considers operations and maintenance activities which are not delivered directly by ARP. Most of the operations and maintenance services are delivered directly by ARP. These are not considered in this study methodology. The significance of major single contract arrangements is lost as a result. Future studies may wish to address the magnitude of privatization initiatives in relation to the overall organization.

Future studies using the typology should consider the option of sampling. An attempt has been made to comprehensively inventory all privatization arrangements in the population. This may be impractical for other agencies utilizing the typology. The resources required to identify all arrangements is exhaustive. Future studies should consider utilizing a sampling system of data collection.

The four forces behind privatization as identified by Savas (1987:5) were: pragmatic, ideological, commercial, and populist.

The goal of supporters of the pragmatic force is better government. The reasoning is that prudent privatization leads to more cost effective public services. This study does not provide evidence upon which to evaluate the satisfaction of this force. Contract mode initiatives pursue cost-effective management as do efficiency-seeking mode initiatives such as seasonalization, and standardization.

The goal of the ideological force is less government. The reasoning is that government is too big, too powerful, and too intrusive, and therefore, it is a danger to democracy. Government decisions are political, thus, they are inherently less trustworthy than free market decisions. The result of this study indicated that the reverse is occurring: ARP is expanding its services and influence; however, the ARP Draft Policy Statement (1986) identifies ARP's role to be one of umpire and enabler. This concurs with the classical liberal ideology of the current Alberta government. This study provides evidence that where possible private and toll goods are being devolved while the planning/enabler function is maintained. This is evident in the growth in the utilization of contract and grant/incentive mode privatization mechanisms. These modes retain the planning or enabler function while transferring the production function.

The goal of the commercial force is more business. The reasoning is that government spending is a large part of the economy; more of it can and should be directed toward private firms, state-owned enterprises, and assets can be put to better use by the private sector. This goal is reinforced throughout the ARP Draft Policy Statement

(1986) which called for more approaches which will nurture involvement of the voluntary not-for-profit sector and the commercial sector in the provincial recreation and park systems. This study provides evidence to support that contract-for-service, leases, divestitures, and operating/management agreements with the not-for-profit and private sector have been initiated.

The goal of the populist force is a better society. The reasoning is that people should have more choice in public services. They should be empowered to define and address common needs and to establish a sense of community by relying more on family, neighborhood, church, and ethnic and voluntary associations and less on distant bureaucratic structures. ARP does not maintain a monopoly on the campground market; however, government agencies collectively do. The MRTA program provides increased choice for the public user. Other privatization arrangements, such as self-registration, and Park Watch, transfer responsibility for service delivery to the park visitor. In addition, the ARP Policy Statement (1986) supports the partnership with conservation associations with similar mandates to the department.

C. Implications and Recommendations for ARP

The study has provided information that could be used in an applied sense by ARP. In this regard, a number of implications and recommendations are provided. The study results indicate that the four strategies of privatization presented by Savas (1987) are being engaged by ARP. The ARP Draft Policy Statement (1986) identifies and supports these. The quotations provided may include underlining within the text, this indicates changes made from the original draft of the ARP Policy Statement.

The load shedding strategy could be continued by divesting responsibility for land holdings not supporting the mandate of ARP. In the ARP Draft Policy Statement (1986:119) the department committed itself to the following actions:

> Alberta Recreation and Parks will actively encourage the commercial sector to play an increasingly important role within the provincial recreation and parks system. The ministry will provide opportunities for and encourage the private sector to offer services related to its conservation-outdoor recreation system. This will involve contracting out planning, construction and maintenance services. The ministry will also encourage commercial enterprise to provide appropriate services within and in relationship to its conservation-outdoor recreation system.
>
> The ministry believes that the commercial sector should continue to grow as an important force in the provincial recreation and parks system. Where appropriate, future initiatives of the ministry will ensure a strong role for the commercial sector.
>
> The ministry will also be receptive and open to new ideas and suggestions from the private sector and will actively seek out situations whereby the ministry and the private sector can form partnerships or joint ventures.

Five categories of opportunities are identified within the Draft Policy Statement (1986:90), these are:

> Accommodation - unserviced and serviced campgrounds, hostels, cottages, resorts and motels;
>
> Food and beverage services - unlicensed and licensed restaurants, refreshment stands and mobile caterers;
>
> Retail sales - sales and rentals of recreational equipment, nature-oriented books, nature and trail guide books, gasoline, food, crafts, souvenirs and personal supplies;
>
> Outfitting/Guiding - boat tours, interpretive programs, outfitting and nature tours; and
>
> Attractions - such as golf courses, downhill ski developments and tennis courts.

Increased privatization within the above categories is appropriate and should be encouraged.

The User Fee strategy should be extended. Fees and charges should be implemented for all private and toll goods offered within parks. These may include day use fees, and charges for firewood, interpretive services, and the use of other specialized recreation equipment and services. User fees should reflect actual market value or the production cost of the good. Camping fees in Alberta Provincial Parks are the lowest in Canada. These fees should continue to be increased, and other government agencies should also be encouraged to follow the initiative. This strategy is supported by the ARP Draft Policy statement (1986:103), as follows:

> In addition to receiving funds from the tax base, funds are also secured from fees and charges for services. Ministry policies related to fees and charges are based on the principle of equity. Programs or services which respond to the needs of the general public and are used by a majority of the public have the potential to receive the largest subsidy. In contrast, potential subsidization will decrease as the service becomes more exclusive to the user. Fees related to exclusive or commercial use of areas within the ministry's conservation-outdoor recreation system (e.g., concession agreements, pipeline dispositions, agricultural dispositions) will reflect a greater appreciation of the market value of the rights and privileges involved. Alberta Recreation and Parks will continually review its services to determine appropriate fee levels.

The use of self service mechanisms should continue and be expanded within the parks system. As stated in the ARP Draft Policy Statement (1986:24),

> "The ministry encourages self-help and self-determination in the provision of recreation opportunities. Public resources may be needed to help provide recreation services, but people must also be encouraged to plan and provide services for themselves."

Programs such as self-registration, co-operating associations, Campground Hosts and Park Watch should be encouraged to expand. The ARP Draft Policy Statement (1986:124) provides the direction that "the ministry will move towards an approach which places more responsibility with the individual and with client groups of the ministry." More and more, individuals, associations, community groups and related agencies will be self reliant.

Innovative management and technology should continue to be a focus. Once again, the ARP Draft Policy Statement (1986:128) supports this in the following statement:

> The management approach to policy implementation will also be characterized by a greater commitment to productivity throughout the ministry and to a continued emphasis on the provision of quality programs and services. Greater attention will be given to program and service effectiveness and to their real impact on, and value for, Albertans.

The competition strategy could be expanded by segmenting functions and contracting for the provision of these goods. Commercial interests in rural communities, where most provincial Parks and Provincial Recreation Areas are located, benefit from this approach. The contracting mode of privatization has been effectively utilized, yet further expansion is recommended. The experience in British Columbia demonstrates that much more contracting could occur. The limitation to expansion is the availability of qualified contractors. This is supported by the ARP Draft Policy Statement (1986:92), as follows:

> Alberta Recreation and Parks will continue to contract to the commercial sector, functions such as planning, design and construction services; service-related activities (e.g., printing and graphics); and a variety of operation and maintenance functions.

The MRTA program has introduced subsidized competition into the campground market. Further intervention into the market, although creating consumer alternative, further limits the viability of the private campground industry in Alberta. The Ministry believes, as stated in the ARP Draft Policy Statement (1986:96), that municipalities should play an increasing role in providing outdoor recreation and heritage protection services within the overall parks system of the province. Municipalities from the earliest formation of the parks system were central to the strategy used to preserve site of natural beauty. The MRTA program is one mechanism currently used to support this long-standing approach. However, this study indicates that the MRTA program is counter to the privatization policy of the Alberta Government and ARP and therefor demands review.

Support should continue to be provided to conservation and professional recreation organizations. These organizations provide conservation/preservation and recreation development services congruent with the mandate of ARP; they also advocate the ARP mandate. The ARP Draft Policy Statement (1986:119) commits support for conservation and provincial associations, as follows:

> Alberta Recreation and Parks will continue to provide levels of financial assistance, information and consultative services to provincial sport, recreation and conservation associations.
>
> Since the operation of many of these associations has a considerable impact at the regional and local levels, Alberta Recreation and Parks will encourage them to co-ordinate their efforts through local municipalities and through the municipality to local organizations.

ARP should continue to move towards acting as a regulator and enabler rather than a producer of services. The ARP Draft Policy

Statement (1986:124) states the following:

> The ministry will move toward approaches which nurture greater involvement of the voluntary not-for-profit sector and the commercial sector. The ministry will continue to contract out certain planning and construction functions and maintenance services associated with its conservation-outdoor recreation system to private groups and to the commercial sector. The ministry will also encourage commercial involvement and investment in appropriate functions within its conservation-outdoor system. Although this definitely suggests less direct involvement for Alberta Recreation and Parks, it by no means indicates abdication of the ministry's basic stewardship responsibilities.

The higher-order privatization modes should be employed wherever possible for the delivery of private and toll goods. The challenge, as identified by Savas (1987:291), is to "achieve a better division of responsibilities and functions between government and the private sector in order to take advantage of the strengths of each and overcome the limitations of the other." This will involve the education and greater utilization of the public, department clients, and the private/commercial and not-for-profit producers of services.

VI BIBLIOGRAPHY

Alberta Energy and Natural Resources, Finance and General Services Division. (1983). Department Contracts User Manual. Edmonton, AB: Author.

Alberta Recreation and Parks. (1983, August). Proceedings of the 22nd. Federal-Provincial Parks Conference: Strategies for Fiscal Restraint. Calgary, AB: Author.

Alberta Recreation and Parks. (1984). Alberta Park Cost Study 1983/84. Edmonton, AB: Author.

Alberta Recreation and Parks. (1984). Ninth Annual Report: April 1, 1983 - March 31, 1984. Edmonton, AB: Author.

Alberta Recreation and Parks. (1985, February). Principles of Privatization. Edmonton, AB: Unpublished.

Alberta Recreation and Parks. 1986. 1988 AR & P Employee Reference Manual for Parks in the 1990's. Unpublished.

Alberta Recreation and Parks. (1986, March). Discussion Paper on Privatization. Edmonton, AB: Unpublished.

Alberta Recreation and Parks. (1986, October). Policy Statement for the Ministry of Recreation and Parks: Revised Draft. Edmonton, AB: Author.

Alberta Recreation and Parks. (1988). Twelfth Annual Report: April 1, 1986 - March 31, 1987. Edmonton, AB: Author.

Alberta Recreation and Parks. (1988, July). Foundations for Action: Corporate Aims for the Ministry of Recreation and Parks. Edmonton, AB: Author.

Alberta Recreation and Parks, Operational Planning Section. (1984, November). Development of Contracts. Paper presented at the Federal-Provincial Parks Conference, Vancouver, B.C.

Alberta Recreation and Parks, Operational Planning Section. (1984). Evaluation of Proposed Methods of Privatization In Provincial Parks and Recreation Areas. Edmonton, AB: Unpublished.

Alberta Recreation and Parks, Operational Planning Section. (1984, November). Other Options for Private Sector Involvement: Senior Citizens and Service Clubs. Paper presented at the Federal-Provincial Parks Conference, Vancouver, B.C.

Alberta Recreation and Parks, Operational Planning Section. (1984). Privatization and Future Management Options for Operations & Maintenance of Provincial Recreation Areas. Edmonton, AB: Unpublished.

Alberta Recreation and Parks, Operational Planning Section. (1984, August). Privatization-Trends and Problems. Paper presented at the Federal-Provincial Parks Conference. Halifax, N.S.

Alberta Recreation and Parks, Parks Division. (1988, May). Organizational Effectiveness Initiative: Status Review. Edmonton, AB: Unpublished.

Alberta Recreation and Parks, Recreation Development Division, Community Recreation Branch. (1984, April). Contracting Vs. Direct Services: Recreation Realities. The Yellowhead Recreation Administrator's Association Workshop, Whitecourt, AB: Author.

Alberta Tourism. (1988, March). Alberta's Campground Industry Analysis. Edmonton, AB: Author.

Alberta Union of Public Employees. (1984, Fall). Contracting Out - Questions and Answers. Impact, pp. 27.

Alexander, P. (1984). Contracting Parks and Recreation Services: Happy Medium Still to be Determined. A.A.R.F.P. Leisure Lines, 4(4), 6-7.

Atkins, L. (1984, March 24). Province Introduces Campground Hosts. Kelowna Daily Courier.

Azim, A.N. (1985). The Newly Espoused Policy for Privatization of Social Services In Canada. Paper presented at the Policy Division of ASAC.

Babbie, E. (1979). The Practice of Social Research (Second Edition). Belmont, California: Wadsworth Publishing Company.

Barry, N.P. (1987). The New Right. New York: Croom Helm.

Beesley, M., & Littlechild, S. (1983). Privatization: Principles, Problems, and Priorities. Lloyds Bank Review. 149 1-20.

Bella, L., & Lanier, L.L. (1984). Direct and Indirect Recreation Programming: Final Report. Edmonton, AB: University of Alberta, Recreation and Leisure Studies.

Bella, L., & Servos, P. (1985, May). Privatization in Recreation and Community Services: Toward Conceptual Clarification. Paper presented at the Association of Sociologists and Anthropologists of Canada, Montreal, Quebec.

Berkowitz, E., & McQuaid, K. (1980). Creating the Welfare State: The Political Economy of Twentieth-Century Reform. New York: Praeger Publishers.

Borg, W.R., & Gall, M.D. (1983). Educational Research: An Introduction (Fourth Edition). New York: Longman.

Brittan, S. (1984). The Politics and Economics of Privatization. Political Quarterly, 55(2), 109-128.

British Columbia Ministry of Lands, Parks and Housing, Parks and Outdoor Recreation Division. ([illegible]). Development and Management of [illegible]. Victoria, B.C.: Author.

British Columbia Ministry of Lands, Parks and Housing, Parks and Outdoor Recreation Division. (1984). Volunteer Campground Host Program. Victoria, B.C.: Author.

British Columbia Ministry of Lands, Parks and Housing, Parks and Outdoor Recreation Division. (1984, November). Contract Tendering. Paper presented at the Federal-Provincial Parks Conference, Vancouver, B.C.

Burton, T.L. (1982). The Role of Government in the Leisure Service Delivery System. Edmonton, AB: University of Alberta, Recreation and Leisure Studies.

Burton, T.L., & Kyllo, L.T. (1974). Federal-Provincial Responsibilities for Leisure Services in Alberta and Ontario, Volume One: Analysis and Commentary. Edmonton, AB. University of Alberta, Recreation and Leisure Studies.

Caulcott, T. (1983). Responding to the Public Sector in Recession. Local Government Studies, (Nov/Dec.), 69-84.

California State Park and Recreation Commission, and The Department of Parks and Recreation. (1984). Policies, Rules, Regulations and Orders. Author.

Canadian Office of Privatization and Regulatory Affairs. (1987). Privatization in Canada. Ottawa, ONT: Author.

Christian, W. (1978). Ideology and Canadian Politics. In J.H. Redekop (Ed.), Approaches to Canadian Politics. New York: Prentice Hall.

Carper, W.B., & Snizek, W.E. (1980). The Nature and Types of Organizational Taxonomies: An Overview. Academy of Management Review, 5(1), 65-75.

Coombs, A. (1983). Privatization - The Birmingham Experience. Local Government Studies, 9(2), 1-5.

Crompton, J.L. (1977). The Public-Commercial Joint Venture. Parks and Recreation. (July), 20-69.

Crompton, J.L. (1982). The Opportunities and Threats of Budget Cuts. Recreation Alberta, (4).

Cryderman, R.S. (1982). Contract Services for Public Parks and Recreation Agencies. Park and Recreation Review, [illegible]

Cryderman, R.S. [illegible] Contracting Out Services. Parks and Recreation, [illegible]

Duff, [illegible] Public/Private Sector Relationships in the Development and Management of Recreation and Parks. [illegible]

Deppe, T.R. (1983). Management Strategies in Financing Parks and Recreation Areas. New York: John Wiley & Sons.

Doern, B.G., & Atherton, J. (1987). The Tories and The Crowns: Restraining and Privatizing in a Political Minefield. In How Ottawa Spends. 128-175.

Duffin, B. (1984, November). Privatization in Alberta Recreation and Parks. Paper presented at the Federal-Provincial Park Conference, Vancouver, B.C.

Duffy, R. (1984). Hiring a Consultant: Not a Fairy Story. Recreation Alberta, 3(4), 7.

Fagan, H. (1960). Nationalization. London: Lawrence and Wishart.

Feist, M. (1979). Management Agreements: A Valuable Tool of Rural Planning. The Planner, 65(1), 3-5.

Fisher, A.B. (1984, February 20). What's left of Reaganomics, Fortune, pp. 42-46.

Fisk, D., Kresling, H., & Mullen, T. (1978). Private Provision of Public Services: An Overview. Washington, D.C.: The Urban Institute.

Ginzberg, E., Hiestand, D.L., & Reubens, B.G. (1965). The Pluralistic Economy. Toronto: McGraw-Hill Book Company.

Gordon, D.N. (1984). Contracting Parks and Recreation Services. Recreation Canada, 42(1), 9-18.

Gould, J.A., & Truitt, W.H. (1973). Political Ideologies. New York: The Macmillan Company.

Government of Alberta. (1985). Proposals for An Industrial and Science Strategy for Albertans 1985-1990: White Paper. Edmonton, AB: Author.

Government of the Northwest Territories, Department of Economic Development and Tourism, Territorial Parks. (1985, November). Service Contracts. Paper presented to the Federal-Provincial Parks Conference, Vancouver, B.C.

[illegible] Contract Services & Privatization. Parks and Recreation, [illegible]

Hanrahan, J.D. (1983). Government by Contract. New York: W.W. Norton & Company.

Head, J.G. (1974). Public Goods and Public Welfare. Durham, North Carolina: Duke University Press.

Henry, I. (1984a). The Politics of The New Right: Consequences for Leisure Policy and Management. Leisure Management, 4(9).

Henry, I. (1984b). Conservatism, Socialism, and Leisure Services. Leisure Management, 4(10), 10-12.

Herfindahl, O.C., & Kneese, A.V. (1974). Economic Theory of Natural Resources. Merrill.

Howe, Irving (ed.). (1982). Beyond The Welfare State. New York: Schocken Books.

Hurl, L.F. (1984). Privatizing Social Service Systems: Lessons from Ontario Children's Services. Canadian Public Policy, 10(4), 395-405.

Jamieson, L.M. (1984). Do It In Private: Commercial Recreation. Recreation Canada, 42(1), 25-26.

Johnson, M. (1982). The 'New Christian Right' in American Politics. The Political Quarterly, 53(2), 181-199.

Judge, K., Smith, J., & Taylor-Gooby, P. (1983). Public-Opinion and the Privatization of Welfare: Some Theoretical Implications. Journal of Social Policy, 12(Oct.), 469-490.

[illegible] (1984, Oct. 9). Senate Approves Change Limiting Park Contracts. The Missoulian.

Katz, J. (1984). Privatization-Threatening Our Quality of Life. Recreation Canada, 42(1), 22-24.

Kernaghan, K., Siegel, D. (1987). Public Administration in Canada. Toronto: Methuen Publications.

Kershaw, F. (1983). Contract Maintenance Comes of Age. *Civil Public Works*, (Aug.), 10-13.

Keyser, W., Stares, R., & Windle, R. (1979). *State Business: Public Enterprise Experience in the EEC*. prepared for The Statsfo Retag Enquiry: The Swedish Department of Industry. Sweden: Metra Oxford Consulting.

Kirkland, R. I., Jr. (1983a, August 22). How Reagan Became A Big Spender. *Fortune*, [illegible]-118.

Kirkland, R. I., Jr. (1983b, October 17). The Reaganites' Civil War Over [illegible] *Fortune*, pp. 74-80.

[illegible] *The Public Sector: An Effective Means of Development*. New Delhi: Sterling Publications Ltd.

Kozlowski, J. (1982). Statutes Dictate Public Contracting Requirements. *Parks and Recreation*, (Oct.) 28-71.

Leedy, P.D. (1974). *Practical Research: Planning and Design*. New York: Macmillan Publishing Co., Inc.

Levine, C. (1984). *The Private Delivery of Public Services: An Annotated Bibliography*. University of Kansas. unpublished.

Lukitis, A. (1985). Chemeleon Campgrounds: Ontario Quietly Transfers the Operation of its Parks to Private Enterprise. *Equinox*, *IV* (20), 117.

Madsen, P. (1985). *Dismantling the State: The Theory and Practice of Privatization*. Chathalm New Jersey: Chatham House Publishers Inc.

Manitoba Department of Natural Resources, Economics and Program Review Section. (1982). *Guidelines For The Regulation of Commercial Operators*. Manitoba: Author.

Manitoba Department of Natural Resources, Parks Branch. (1984, November). *Resource Package*. Paper presentation at the Federal-Provincial Parks Conference, Vancouver, B.C.

Martin, [illegible] (1984). Why and How to Privatize. *Policy Options*, [illegible]

Mason, [illegible] (1984). *The Development of Alberta's Provincial Parks*. Master's Thesis, Recreation Administration. Recreation and Leisure Studies, University of Alberta.

McDonald, J. (1982). A Solution to Financial Restraint and Staff Reductions. *Recreation Canada*, *42*(1), 36-39.

McDougall, B. Minister of State (Privatization) and Minister Responsible for Regulatory Affairs. (1987, October 20). Personal Communication.

McFarland, E.M. (1978). The Development of Public Recreation in Canada. Ottawa, Ontario. Canadian Parks/Recreation Association.

McIntosh, G. (1984, October). Creative Financial Management, Resources for Leisure Services: The Balancing Act. Paper presented at the Alberta Recreation and Parks Association Annual Conference, Japser, Alberta.

McManus, J. (1984, November). Tourism New Brunswick: Concession Contracts and Leases as of Year-End 1983. Paper presented at the Federal-Provincial Park Conference, Vancouver, B.C.

Middlemas, K. (1983). The Crisis of the Tory Party. New Society. 66(1090), 13-16.

Mills & Graves (1986). The Economics of Environmental Policy, Second Edition.

Morris, D. (1969). The Human Zoo. Toronto: Bantam Books of Canada Ltd.

Morrison, K., Walls, R., & Bloomfield, J. (1968). The Alberta Provincial Park System: A Look at its Development. Park News, 16(3), 8-12.

Moysa, M. (1985, January 3). Labor Board Rejects Workers' Charges Against Journal. The Edmonton Journal.

Murphy, F., & Howard, R. (1977). Delivery of Community Leisure Services: A Holistic Approach. Philadelphia: Lea and Febiger.

New Brunswick Department of Tourism. (1985). Policy For Private Sector Development In Provincial Parks. New Brunswick: Author.

Nevitte, N., & Gibbins, R. (1984). Neoconservatism: Canadian Variations on an Ideological Theme. Canadian Public Policy, 10(4), 384-394.

O'Connor, J. (1973). The Fiscal Crisis of the State. St. Martin's Press.

O'Higgins, M. (1984, November 15). Reagan Mark 2 and Social Welfare. New Society, pp. 240-242.

Ontario Ministry of Natural Resources, Management Consulting Services. (1976). Park Cost Study 1975-76. Toronto, Ontario: Author.

Ontario Ministry of Natural Resources. (1983). Park Privatization Work Shop. Sudbury: Author.

Ontario Ministry of Natural Resources, Parks and Recreation Areas Branch. (1984). Contract Management and Contract Lease Development. Toronto, ONT.: Author.

Ontario Ministry of Transportation and Communications, Highways Operations and Maintenance Division. (1984, September 24). Privatization of Maintenance·Activities. Presentation to RTAC (International Transport Congress), Montreal, QUE.

Ostrom, E., & Ostrom, V. (1977). Public Goods and Public Choices. In E.S. Savas (ed.). Alternatives for Delivering Public Services. Boulder, Colo.: Westview. 7-49.

Paige, R.F. (1982). Contracting for Services: A Valid Response to Fiscal Conservancy. Parks and Recreation, (Nov.), 54-57.

Parks Canada, Engineering and Architecture. (1983, February). Selection and Post Evaluation of Consultants. Ottawa, ONT.: Author.

Parks Canada. (1984, November). Parks Canada: Privatization. Paper presented at the Federal-Provincial Parks Conference, Vancouver, B.C.

Patrick, J., & Burnley, J.D. (1983). The Need For Contract Maintenance. ILAM Journal, (March), 24-26.

Peston, M. (1972). Public Goods and the Public Sector. London: The Macmillan Press Ltd.

Peterson, S.B. (1984). Privatization: An Issue of Our Time. Agro News, (March) 1-2.

Picard, C. (1985, February 12). City Waste Exposed. The Edmonton Sun.

Platiel, R. (1984, October 16). Ontario Quietly Moving Along With Private Parks Program. The Globe and Mail.

Plommer, L. (1985, February 16). Thatcher: Still Hated After All These Years. The Globe and Mail.

Poole, R. Jr. (1980). Cutting Back City Hall. New York: Universe Books.

Pratten, D.F. (1982). Mrs. Thatcher's Economic Experiment. Lloyds Bank Review, Jan. (143), 36-51.

Prince Edward Island Provincial Parks. (1984, November). Prince Edward Island Provincial Parks Brief Look at Privatization. Paper presented at the Federal-Provincial Parks Conference, Vancouver, B.C.

Rabinowitz, L. (1984). How to Write Contracts and Maintenance Specifications. Parks Maintenance, (Jan.), 8-10.

Ramandham, T.V. (ed.) (1984). The Nature of Public Enterprise. London: Croom Helm.

Randall, A. (1981). Resources Economics: An Economic Approach to Natural Resource and Environmental Policy. Columbus, Ohio: Grid Publications Inc.

Rees, R. (1984). Public Enterprise Economics. (Second Edition). London: Widenfeld and Nicolson.

Rivest, J., Boone, L., Gibbons, A. & McDougal, B. (1984, November 8). Provincial Park Employees Protest Against Privatizing. Globe and Mail.

Runge, C.F. (1984). Energy Exploration on Wilderness Privatization and Public Land Management. Land Economy, 60(1), 56-68.

Rusk, J. (1984, December 4). Ministry Office Staff Ballooned During Liberal Regine. Globe and Mail.

Russell Sage Foundation. (1978). The Future of Foundations: Some Reconsiderations. New Rochelle, New York: Change Magazine Press.

Rusten, A.C. (1985). Contracting Out: Is it for Your Agency. Parks and Recreation, 20(2), 32-33.

Rutledge, A.J. (1971). Anatomy of a Park. New York: McGraw-Hill Book Company.

Savas, E.S. (ed.). (1977). Alternatives for Delivering Public Services, Towards Improved Performance. Boulder, Colorado: Westview Press.

Savas, E.S. (1982). Privatizing The Public Sector: How to Shrink Government. Chatham, New Jersey: Chatham House Publications, Inc.

Savas, E.S. (1987). Privatization, The Key to Better Government. Chatham, New Jersey: Chatham House Publishers, Inc.

Saskatchewan Parks and Renewable Resources, Parks and Land Branch, 1983. Private Sector Investment: A Process for Development in Saskatchewan Provincial Parks. Saskatchewan: Author.

Saskatchewan Parks and Recreation Resources, Parks and Land Branch. (1984, November). Commercial Development Opportunities. Paper presented at The Federal-Provincial Parks Conference, Vancouver, B.C.

Saskatchewan Parks and Renewable Resources, Parks Branch. (1984, November). Private Sector Capital Development in Saskatchewan Provincial Parks. Saskatchewan: Author.

Sibley, R. (1984, November 8). Privatization of Social Care Condemned. Edmonton Journal.

Sharpe, C., Odegard, C., & Sharpe, W. (1983). Park Management. Wiley, New York.

Siegel, S. (1956). Nonparametric Statistics for the Behavioral Sciences. New York: McGraw-Hill Book Company.

Sonenblum, S. (1974). Ways to Provide Municiapl Services: A Market Typology. Institute of Government and Public Affairs Publications, University of California.

Sonenblum, S., Ries, J.C., & Dirlin, J.J. (1975). Selecting Structures for Providing Municipal Services. Los Angeles: Institute of Government and Public Affairs.

Spencer, K. (1984). Assessing Alternative Forms of Service Provision. Local Government Studies, (March/April), 14-20.

Sproule-Jones, M. (1983). Institutions, Constitutions and Public Policies: A Public Choice Overview. In The Politics of Canadian Public Policy. (eds.) Atteinson, M. and Chandles, M. Toronto: University of Toronto Press. 127-149.

Staaf, R.J. (1983). Privatization of Public Goods. Public Choice, 41(3), 435-440.

Steller, J.L. (1983). The Use of Contracts in Landscape Management. ILAM Journal, (March), 19-22.

Stoez, D. (1981). A Wake for The Welfare State: Social Welfare and The Neoconservative Challenge. Social Science Review, 398-410.

Swinnerton, G.S. (1982). Recreation on Agricultural Land in Alberta. Edmonton, AB: Environment Council of Alberta.

Tarschys, D. (1983). The Scissors Crisis in Public Finance. Policy Science, 15(3), 205-224.

Theobald, W.F. (1979). Evaluation of Recreation and Park Programs. Toronto: John Wiley & Sons.

Thompson, J. (1984). Contracting Out: Is It The Answer. Recreation Canada, 42(1), 28-30.

Time Magazine. (1984, November 12). "Gearing Up for a Sell-Off". Time. pp. 85.

Udehn, L. (1981). Central Planning: Postscript to a Debate. In Himmelstrand, U. (ed.) Spontaneity and Planning in Social Development. Sage.

United States Department of the Interior, Heritage Conservation and Recreation Service. (1979). Contract Services Handbook: Issues and Impacts for the Park and Recreation Manager. Author.

United States Department of the Interior, Heritage Conservation and Recreation Services. (1979). Private Sector Involvement Workbook. (Second Edition`. Author.

United States Department of the Interior, Heritage Conservation and Recreation Services. (1980). Maintenance Impact Statement Handbook. Author.

United States Department of Interior, Park and Recreation Technical Services. (1981). Cost-Cutting Strategies for the Park and Recreation Agency. Author.

United States Department of the Interior, National Park Service. (1982). Cutback Management: Rational Approach to Weathering Budget Reductions for the Park and Recreation Administrator. Author.

Usher, D. (1976). The Welfare Economics of the Socialization of Commodities, Discussion Paper #218. Kingson: ONT.: Institute For Economic Research, Queens University.

Wedel, K.R. (1976). Government Contracting for Purchase of Services. Social Work, (March), 101-105.

Winslade, K. (1984). Private Contracting - Yes or No. Recreation Canada, 42(1), 6.

Young, A. (1984, June 1). Our Structured Approach to Contracting County Services. Paper presented at County of Los Angeles in Executive Briefing.

Appendix A - Park Manager Questionnaire Survey

60 Dayton Crescent
St. Albert, Alberta
T8N 3Z2
June 28, 1988

Dear Sir:

Currently I am conducting research concerning park operation and maintenance services provided by Alberta Recreation and Parks between 1983 and 1988. Service provision may be via the department planning, financing, regulating, or directly producing the goods or service. This research is a component of a Masters, Recreation and Leisure Studies, University of Alberta.

Specifically, the research analyzes the privatization of park services (as defined by the Park Cost Study 1984) resulting from policy direction provided in the March 15, 1984 Provincial Throne Speech and the subsequent entrenchment of the "higher order" service delivery philosophy in the 1986 Policy Statement. The study compares service delivery mechanisms utilized between 1983/84 and 1987/88 fiscal years.

Your participation is very important in this study. I will contact you in the near future to arrange a one-hour interview the week of July 4, 1988. The following questions to be addressed in the interview are open-ended in order to encourage discussion:

1. What park operation and maintenance services are provided within your area of responsibility?
2. How have these responsibilities changed between 1983/84 and 1987/88?
3. Have any services been "privatized"?
4. Has your area of responsibility taken on any new functions since 1983? If yes, please describe these and how they come to be acquired.
5. What problems have resulted from privatization?

I look forward to discussing these questions with you.

Sincerely,

Paul E. Servos
Student
Recreation and Leisure Studies
University of Alberta

Park Managers Survey

OBJECTIVE:

To identify privatization initiatives within the Department of Recreation and Parks for Park operation and maintenance services.

THE INTERVIEW

Ten interviews were conducted.

Each manager interviewed was provided with the following information:

1. Who the interviewer is and organization represented.
2. Purpose of interview and study.
3. How and why they were selected.
4. Confidentiality of information collected.

THE QUESTIONS

1. What park operation and maintenance services are provided within your area of responsibility?
2. How have these responsibilities changed between 1983/84 and 1987/88?
3. Have any services been "privatized" during this period. If yes, describe? (Note: Interviewer used broadest possible definition of privatization.)
4. What problems have resulted from privatization?
5. Has your area (section) taken on any new functions since 1983? If yes please describe?

Appendix B - Permission to Access Data Sources

Alberta
RECREATION AND PARKS
Operations and Maintenance
Division

Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada T5J 3N4

February 6, 1986

Paul Servos
#15, 2115-118 Street
EDMONTON, Alberta

Dear Mr. Servos:

Re: ACCESS TO FINANCIAL INFORMATION FOR MA THESIS

I am pleased to inform you that our records of contract agreement will be made available to you for your MA research subject to the following conditions:

1) The files may not be removed from this office.

2) All information must be kept confidential and the results are not to identify the contractors involved.

We are most interested in the results of your study and would like to receive a copy of your report upon completion.

Yours truly,

J. R. Magee
Director
Operations and Maintenance

JRM:jhp

Alberta
RECREATION AND PARKS
Operations and Maintenance
Division

Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada T5J 3N4 (403) 427-2968

June 27, 1984

Mr. Paul Servos
1815 - 111A Street
EDMONTON, Alberta
T6J 4B9

Dear Mr. Servos:

REQUEST FOR INFORMATION - MA THESIS

In response to your information request of March 23, 1984, this will confirm that you will be permitted access to 1983-1984 Park Cost Study data and 1984 Facilities and Services Inventory data, subject to the following conditions:

1. No copies of the data provided shall be made available or circulated without the written permission of the Assistant Deputy Minister of the Operations and Maintenance Division.
2. All information will be made available after September 1, 1984.
3. All interviews with contractors to Alberta Recreation and Parks will be on behalf of yourself, with no affiliation with Alberta Recreation and Parks.
4. Any information obtained from the contractors shall be reported on in such a way as to respect their anonymity.
5. Any contact with park users will have to be cleared through the Research and Collection Permit process.
6. Operations and Maintenance Division of Alberta Recreation and Parks is to receive a copy of all results, free of charge.

Any requests for additional information will be considered at the time application is made. As discussed in your meeting with Dan Chambers and Barry Bentham you may consider it advantageous to have a member of Operational Planning (i.e. Barry Bentham) as an external advisor on your thesis committee.

Yours sincerely,

Bruce N. Duffin
Director
Field Support Branch

Appendix C - The Study Data

PRIVATIZATION STUDY RECORD SHEET

________ Agreement #: ______________________________

________ Service Provider: ______________________________

________ Service Mechanism: ______________________________

________ Ptz Approach: ______________________________

________ Section Mgt.: ______________________________

________ Service Type: ______________________________

________ Nature of Good/Service: ______________________________

________ Type of Instrument: ______________________________

COMMENTS

____

____

____

____

____

CODE FORMAT

PRIVATIZATION SERVICE PROVIDERS

(1) Public

01 - Alberta Recreation and Parks

02 - Provincial Department
03 - Local/municipal
04 - regional/county/M.D./I.D.
05 - federal

(2) Quasi-Public

06 Non-profit association
07 The Church
08 Foundations
09 Crown Corporation
10 Controlled Corporation

(3) Private

11 Private club
12 Private for profit company
13 Individual/family
14 Not offered
99 Missing

PRIVATIZATION MECHANISMS

(6) REGULATED

34 Service not offered.
33 Limit state powers to correct the market.
32 Withdraw from delivery of good or service.
31 Repeal monopolies and allow competition to grow.
30 Apply liquidation procedures on public organizations that do not perform.
29 Deregulation.

(5) SALE

28 Sell the whole, as a unit.
27 Sell the complete parts of the whole.
26 Sell controlling interest of whole operation.
25 Conditional conveyance.
24 Divestment of minority share holding assets.

(5) HANDOVER OF SHARES

23 Sell to the work force.
22 Give to the work force.
21 Give to the public.

(4) ARMS LENGTH

20 Establish a Crown Corporation or Arms-length Organization.
19 Franchise, Permit, Licence.
18 Joint venture.
17 Special agreement (MRTA).

(2) CONTRACT

08 Dilute the Public Sector (contract maintenance expansions using private capital).
07 Management Agreement (capital involvement of contractor)
06 Lease.
05 Operating Agreement.
04 Purchase of Services Agreement.
03 Purchase of Goods Agreement.

(3) GRANT/INCENTIVE

16 Direct payment transfer.
15 Encourage exit of state provision.
14 Tax incentives and dis-incentives.
13 Professional support to organizations/individuals providing good or service.
12 Buy out existing interest groups, cut-off new access, but maintain support to existing clients.

11 Deregulation via voluntary Associations.
10 Encourage alternative institutions within private sector.
09 Establish counter interest groups.

(1) DIRECT PROVIDER

02 Implement User Fees

- a. Revolving funds.
- b. Partial cost recovery.

01 New technology use enforcement.

00 Efficiency Mechanisms Provided by Alberta Recreation and Parks

99 Missing

Ptz Approach

01 Efficiency Seeking

02 Contract

03 Grant

04 Devolve

05 Divestiture

06 Market

Dept. Provider

Parks Division

01 - Operational Planning
02 - Enforcement
03 - Visitor Services
04 - Old D&I Div.
05 - Regional Office
06 - Admin. Support

Recreation Development Division

07 - Outdoor Facilities
08 - Regional Services
09 - Assoc. Development

10 Recreation Parks & Wildlife Foundation

11 Kananaskis Region

12 Park/District

13 Other

Service Types

01 Maintenance
  Garbage Collection
  Firewood Distribution
  Building Janitorial
  Building Repair
  Grounds
  Water & Sewage
  Roads & Parking

5 Capital Development/Eqt
  Eqt Repair
  Utilities
8 Resource Management
6 Administration
2 Visitor Services
3 Security/Enforcement
7 Other

Nature of Good

1	Private
2	Toll
3	Common Pool
4	Public
8	Not Determined

Appendix D - Alberta Recreation and Parks, Description of Functional Units

Alberta Sport Council

The Alberta Sport Council is responsible for the general advancement of sport in Alberta. Services are directed toward participants at all levels of competency including the developing athlete in the pursuit of excellence. The Alberta Sport Council's focus is on games and competitions, technical sport development and the raising of financial resources from individuals, organizations, businesses and corporations.

Recreation, Parks and Wildlife Foundation

The Recreation, Parks and Wildlife Foundation is involved in the development and maintenance of parks and recreation opportunities and the management, conservation and preservation of fish and wildlife. The foundation also actively solicits financial contributions, services and other resources from individuals, organizations and corporations to assist in meeting the goals of the foundation.

Kananaskis Country

Kananaskis Country is a year-round multi-use recreation area encompassing 4,000 square kilometres. Located 90 kilometres west of Calgary, Kananaskis Country provides opportunities for activities such as hiking, cross-country skiing, picnicking, camping, golfing, nature interpretation, fishing, hunting and off road vehicle use. As well, Olympic ski facilities and an Alpine Village have been developed.

Recreation Development Division

The Recreation Development Division is responsible for promoting the development of recreation facilities and opportunities in Alberta. This is achieved in part by providing financial assistance, information and consulting services to municipal recreation authorities, sport and recreation associations and other voluntary organizations in the province.

Operations and Maintenance Division

The Operations and Maintenance Division is responsible for the operation, maintenance and management of Provincial Parks, Provincial Recreation Areas and Wilderness Areas.

Design and Implementation Division

The Design and Implementation Division is responsible for the coordination of the planning and the development of the department conservation-outdoor recreation system.

Finance and Administration Division

The Finance and Administration Division provides support to department management in the effective utilization of its human resources and in the development and maintenance of department legislation and regulations; financial planning and budgeting; establishment, maintenance and development of the department human resources; and the development and maintenance of office and automated information systems.

Planning Secretariat

The Planning Secretariat functions at the corporate level and is involved in: strategic management and planning, policy development and analysis; co-ordinating marketing and planning information and legislation; integrated recreation and conservation planning and special projects; and providing and monitoring public communication services.

Olympic Secretariat

The Olympic Secretariat is responsible for co-ordinating the Alberta government's involvement in the 1988 Winter Olympic Games in Calgary.

Appendix E - Interpretation of a Cross Tabulation Table - Example

Interpretation of a Cross Tabulation Table - Example

Service Provider By Mechanism Summary 1987/88

Service Provider	Mechanism						
	Direct	Contract	Grant	Arms Length	Regulated	Not Offered	ROW TOTAL
Public	26 **A** 54.2 **B** 89.7 **C** 6.3 **D**	8 16.7 4.8 2.0	10 20.8 7.0 2.4	2 4.2 4.7 .5	2 4.2 50.0 .5		48 **E** 11.7 **F**
Quasi Public		6 4.3 3.6 1.5	132 95.0 93.0 32.2	1 .7 2.3 .2			138 33.9
Private	3 1.5 10.3 .7	153 77.3 91.6 37.3		40 20.2 93.0 9.8	2 1.0 50.0 .5		198 48.3
Not Offered						25 100.0 100.0 6.1	25 6.1
COLUMN TOTAL	29 **G** 7.1 **H**	167 40.7	142 34.6	43 10.5	4 1.0	25 6.1	410 **I** 100.0 **J**

Example is taken from Table 11 of the study.

Interpretation of a Cross Tabulation Table

(Continued)

A.
- number of cases which occur within the cell.
- example: twenty-six cases used the direct mechanism and were delivered by a public service provider.

B.
- percentage of the row total cases falling into the cell.
- example: 54.2 percent of the cases using a public service provider also utilize a direct mechanism.

C.
- percentage of column total cases falling into the cell.
- example: 89.7 percent of the cases using the direct mechanism also utilize a public service provider.

D.
- percentage of cases falling into the cell as a percentage of total cases.
- example: 6.3 percent of all cases are delivered by public service provider and direct mechanism.

E.
- total cases occurring in the row.
- example: 48 cases were delivered by a public service provider.

F.
- percentage of total row cases.
- example: 11.7 percent of all cases are delivered by a public service provider.

G.
- total cases occurring in the column.
- example: 29 cases were delivered by a direct mechanism.

H.
- percentage of total column cases.
- example: 7.1 percent of all cases are delivered by a direct mechanism.

I.
- total number of cases.
- example: 410 cases in total were recorded.

J.
- total percentage of cases.
- example: 100 percent of the cases were recorded.